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Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance: strengthening of the coordination of emergency humanitarian assistance of the United Nations

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Special economic, humanitarian and disaster relief assistance

Strengthening of the coordination of emergency humanitarian assistance of the United Nations

Report of the Secretary-General

Summary

The present report has been prepared pursuant to General Assembly resolution 46/182, in which the Assembly requested the Secretary-General to report annually to the Assembly and the Economic and Social Council on the coordination of emergency humanitarian assistance. The report is also submitted in response to Assembly resolution 67/87 and Economic and Social Council resolution 2012/3. The period covered by the report is from June 2012 to May 2013.

The report describes the major humanitarian trends and challenges over the past year and analyses two thematic issues: the need to reduce vulnerability and manage risks and the need to promote humanitarian innovation. The report provides an overview of current efforts to improve humanitarian coordination and response, as well as recommendations for further improvement.

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I. Introduction

1. Humanitarian needs exacerbated by civil unrest, human rights violations and conflict during the reporting period are a reminder of the increasingly complex and difficult operating environment in which humanitarian assistance must be delivered and the need for greater adherence to humanitarian principles, timely access to affected populations and better protection of civilians.

2. The global number of internally displaced persons (IDPs) resulting from armed conflict and generalized violence at the end of 2012 was estimated at 28.8 million, an increase from 26.4 million reported in 2011 and the highest figure ever recorded by the Internal Displacement Monitoring Centre. An estimated 2.1 million IDPs were able to return home in 2012; however, around 6.5 million people were newly displaced — almost twice as many as in 2011. Some 17.7 million IDPs were being protected and/or assisted by the Office of the United Nations High Commissioner for Refugees (UNHCR) at the end of 2012. More than 1.1 million people became refugees in the course of 2012, the highest number in more than a decade. The number of refugees under the mandate of UNHCR stood at 10.5 million at the end of 2012.

3. The Centre for Research on the Epidemiology of Disasters recorded 310 disasters in 2012, which claimed an estimated 9,300 lives, affected 106 million people and caused over $138 billion in damages. The significant decrease in the number of people affected from 2011 can be partly explained by the lack of a "mega" natural disaster in 2012. Despite the decrease in fatalities, according to the Internal Displacement Monitoring Centre, an estimated 32.4 million people in 82 countries were newly displaced by natural disasters, almost double the number from 2011. It was also the third consecutive year for economic disaster losses to have exceeded $100 billion.

4. As in previous years, there has been an increase in demand for humanitarian assistance, while the operating environment for delivering such assistance becomes more complex. Humanitarian responders are more numerous and diverse, affected States, regional organizations and neighbouring countries have increased their capacity to respond to humanitarian emergencies, and technological advances are providing a voice to affected people and changing the nature of how assistance is provided. It will be essential over the coming years for the international system to find ways to take full advantage of the opportunities offered by this new environment and how to respond more effectively to its challenges and demands.

II. Overview of humanitarian emergencies

A. Complex emergencies

5. The humanitarian situation in the Syrian Arab Republic deteriorated rapidly, with the number of people in need quadrupling from 1 million in March 2012 to 4 million by the end of the year. As at 26 April 2013, an estimated 6.8 million people were in urgent need of assistance, including around 4.25 million people internally displaced. An additional 1.4 million people have fled the conflict as refugees to Jordan, Turkey, Lebanon, Iraq, Egypt and other parts of North Africa.

6. Conflict in northern Mali, along with the impact of the food and nutrition crisis in the region, has displaced more than 467,000 people since March 2012 (close to 292,700 IDPs and 175,300 refugees in Mauritania, Niger and Burkina Faso). Close to 750,000 people are in need of immediate food assistance, while a further 1.3 million are food insecure. Approximately 4 million people require water and sanitation assistance country-wide, while 2 million are in need of health support; and 200,000 children have no access to education. Military operations, mine incidents and violence by armed groups continue to create a highly volatile environment.

7. In Myanmar, inter-communal violence that broke out in Rakhine State in June and October 2012 resulted in the deaths of 167 people, the injury of 223 others and the destruction of 10,100 private, public and religious buildings. As at 27 March 2013, 125,000 people remained displaced and curfews were still in place in nine locations. Inter-communal violence also broke out in Meiktila, in Mandalay region, on 20 March 2013, resulting in 44 deaths and over 12,000 people displaced. In the Central African Republic, fighting since December 2012 had displaced more than 222,000 people as at 7 May 2013 (173,000 internally displaced and 49,000 refugees to the Democratic Republic of the Congo, Republic of Congo, Cameroon and Chad).

8. The reporting period also saw the intensification of existing complex emergencies and conflicts, causing further displacement. As at 31 March 2013, there were nearly 2.6 million IDPs in the Democratic Republic of the Congo, including 1.6 million in the Kivus, as a result of fighting between Government forces and armed groups such as the 23 March Movement (M23). The conflict also expanded in Maniema and Katanga provinces and had renewed regional implications with waves of Congolese refugees arriving in Rwanda and Uganda. Inter-tribal fighting and conflict between armed groups and the Sudanese Armed Forces in Darfur (Sudan) has led to the internal displacement of approximately 237,000 people and an influx of an estimated 27,000 refugees into Chad. Also in the Sudan, conflict between the Government of the Sudan and the Sudan People's Liberation Movement-North continued in South Kordofan and Blue Nile States, leaving around 1.3 million displaced, including 32,000 refugees in Ethiopia and 197,000 in South Sudan.

9. South Sudan hosts 27,800 refugees from the Democratic Republic of the Congo, Ethiopia and the Central African Republic. In Jonglei State, South Sudan, more than 12,400 people have been displaced by inter-communal fighting since the beginning of 2013, and tens of thousands more are thought to be affected in inaccessible areas. There are still more than 1 million Somali refugees in the Horn of Africa (over 492,000 in Kenya and more than 240,000 in Ethiopia) and 1.1 million IDPs in Somalia.

10. Inter-tribal fighting in Yemen led to the displacement of a further 38,500 people in the north (Hajjah) in 2012. Across the country over 344,000 people remain displaced. While more than 80 per cent of internally displaced people in the south have returned home, only small-scale returns have taken place in the north of the country, where approximately 322,450 people remain displaced. Yemen hosts 242,000 refugees, approximately 95 per cent from Somalia, as well as an estimated 100,000 migrants, mostly from Ethiopia. Clan violence and armed conflict across Mindanao, Philippines, displaced at least 150,000 people in 2012.

11. In Afghanistan, the protracted armed conflict continues to displace people and impact the return of refugees. There are some 534,000 conflict-induced IDPs in

Afghanistan, with more than 81,000 persons having been displaced in the reporting period alone. According to UNHCR, nearly 2.5 million Afghan refugees live in Pakistan and the Islamic Republic of Iran. In 2012, more than 94,300 refugees returned to Afghanistan, approximately 83,000 from Pakistan and 14,800 from the Islamic Republic of Iran, as part of the UNHCR-assisted voluntary repatriation programme (representing a 62 per cent increase from 2011). However, a number of security and political uncertainties related to the ongoing transition are likely to continue challenging further returns and are limiting the country's absorption capacity.

12. In Pakistan, an escalation of hostilities in the Tirah Valley of the Federally Administered Tribal Areas in March 2012 resulted in a new wave of displacement. As at 7 May 2013, UNHCR had registered some 80,000 newly displaced persons. While there continue to be significant returns each year, some 1 million people remain displaced in Khyber Pakhtunkhwa and the Federally Administered Tribal Areas.

13. In November 2012, 100 Palestinian civilians and 4 Israeli civilians were killed in the worst outbreak of violence in the Israeli-Palestinian conflict since Operation Cast Lead in 2009. Despite some adjustments made by the Israeli authorities in recent years, the blockade on the Gaza Strip, now entering its seventh year, continues to cause high levels of unemployment and food insecurity, leaving the majority of people in Gaza aid dependent. The number of demolitions and displacements in Area C of the West Bank, in the Occupied Palestinian Territory, has grown steadily since 2009. In 2012, 886 Palestinians were displaced and 598 Palestinian-owned structures demolished. As at 15 April 2013, 156 structures had been demolished in 2013, displacing 309 people.

14. There was some positive, yet tentative, progress in peace negotiations and the return of displaced persons in several countries. On 7 October 2012, the Government of the Philippines and the Moro Islamic Liberation Front, the country's largest Muslim rebel group, reached a historic peace agreement that set the framework for a final peace accord that seeks to end four decades of armed conflict that has cost 120,000 lives. In Yemen, some 143,000 persons displaced by fighting in the south from mid-2011 to mid-2012 returned to Abyan, but they face a difficult situation owing to extensive damage to civilian buildings and infrastructure, landmines and unexploded ordnance, lack of livelihoods and services and weak rule of law and security. On 18 October 2012, peace negotiations between the Government of Colombia and the Revolutionary Armed Forces of Colombia started in Oslo and continued in Havana. However, since the talks were announced, figures show an increasing trend in hostilities and attacks against infrastructure.

B. Disasters associated with natural hazards

15. Typhoon Bopha, which hit eastern Mindanao, in the Philippines, on 4 December 2012, resulted in the largest loss of life from a natural disaster in 2012. Government sources report that at least 1,900 people were killed or are missing and nearly 233,000 homes were damaged. Over 6.2 million people were affected, including more than 934,000 people who were left homeless. However, owing to preparedness measures, including early warnings, pre-emptive evacuations and pre-positioning of essential stocks and response personnel, it is widely believed that

more lives were saved during Typhoon Bopha than during Tropical Storm Washi in the Philippines in 2011. This was despite Typhoon Bopha having had three times the wind speed and twice the rainfall of Tropical Storm Washi.

16. Although Asia was the continent that experienced the greatest number of natural disasters and the highest death toll in 2012, the Americas endured 63 per cent of the economic losses. That was owed mainly to Hurricane Sandy, which hit the eastern seaboard of the United States of America and the Caribbean region in October 2012, causing over $50 billion in damage, and the drought that affected 62 per cent of the landmass of the continental United States, causing an estimated loss of $20 billion.

17. More than 18 million people across the Sahel region, including an estimated 1.1 million children at risk of severe acute malnutrition, continued to be affected by drought, its impact compounded by chronic poverty, low agricultural productivity and high food prices. Early warning and the rapid mobilization of funds enabled swift humanitarian action in nine countries, mitigating the humanitarian impact. Between June and September 2012, for example, approximately 5 million people received food assistance each month. During 2012, 915,000 children were admitted to therapeutic feeding centres across the Sahel.

18. Nigeria suffered the worst flooding in more than 40 years, with the Government reporting 363 deaths, 2.1 million registered IDPs and an estimated 7.7 million people affected by the floods. Pakistan was again hit by large-scale flooding that affected around 5 million people, causing 473 deaths, injuring 2,900 people and damaging 466,000 houses. Balochistan, Punjab and Sindh provinces were hardest hit. Flooding also struck India, killing over 100 people and displacing over 2 million in Assam in July 2012. In Afghanistan, a number of natural disasters of various scales were recorded during the reporting period, affecting 280,000 people and damaging or destroying 35,000 houses.

19. The earthquake that hit the Islamic Republic of Iran on 11 August 2012 killed more than 300 people and was the most devastating earthquake of the reporting period. On 20 April 2013, an earthquake of magnitude 7 hit the city of Ya'an in the Sichuan province of China. As at 23 April 2013, 193 people were reported dead and approximately 12,200 injured. According to the Civil Affairs Department of Sichuan, approximately 2 million people in 115 counties are affected.

III. Progress in the coordination of humanitarian assistance

A. Strengthening the coordination of humanitarian assistance

Capacity and coordination in the field

20. In 2012, the principals of the Inter-Agency Standing Committee agreed on an action plan outlining clear responsibilities for implementing the Committee transformative agenda recommendations to improve humanitarian leadership, coordination and accountability at the headquarters and field levels. Inter-agency missions to Chad, Myanmar and South Sudan ensured field testing of the new policies and procedures and identified good practice that could be applied to other countries. Five transformative agenda protocols were agreed at the end of 2012 and

an additional three are to be agreed in 2013. They provide practical guidance for field staff to support improved collective action in humanitarian emergencies.[1]

21. In order to ensure that appropriate humanitarian leadership is available from the outset of a large-scale emergency, a roster has been established of 18 Assistant Secretary-General and Director-level candidates from six Inter-Agency Standing Committee agencies who are available for deployment within 72 hours to oversee a large-scale crisis. Effective leadership remains critical in humanitarian emergencies. In 2012, 12 Resident Coordinator and Humanitarian Coordinator positions were filled from the Humanitarian Coordinator pool, a roster of experienced humanitarian leaders supported by the Inter-Agency Standing Committee. To provide additional support to first-time humanitarian coordinators, a mentoring programme was established, with former senior and experienced resident coordinators/humanitarian coordinators who can advise on managerial, structural and strategic issues. The establishment of the inter-agency rapid response mechanism will further support the deployment of senior and experienced humanitarian personnel following a humanitarian crisis.

22. In 2012, efforts continued to improve the collective delivery of results by the United Nations and its partners through effective coordination mechanisms. A survey and analysis of the activated clusters in 25 countries in October 2012 indicated that 78 per cent of clusters now have strategic plans and 81 per cent have coordinated needs assessment. Extending the participation of appropriate government and national actors in clusters, including non-governmental organizations (NGOs), remains a priority. Currently, 75 per cent of clusters have government participation, while national NGOs participate in 90 per cent of established clusters. Regular performance reviews of clusters are taking place to ensure that they remain relevant in evolving situations and are in line with national structures where appropriate. In Burundi, for example, clusters were formally deactivated in August 2012, reflecting a decrease in emergency needs. Support is now provided through government-led sectors.

23. To further implement the commitments of the Inter-Agency Standing Committee to improve accountability to affected people, including through greater transparency, feedback and complaints mechanisms, and participation in programme design, monitoring and evaluation, a number of United Nations agencies have taken steps to better integrate these elements into their programmes and policies. For example, in Pakistan, the World Food Programme (WFP), in collaboration with Transparency International, has established a direct feedback and complaints system with local people using mobile phones, e-mail and post. The system responds to complaints and concerns and provides information about available assistance, which helps WFP make its programming informed, accountable and responsive. WFP has started to replicate this model in other countries, including Afghanistan, Sri Lanka, the Philippines and Kenya.

24. In 2013, the IASC will continue to build upon its commitment to strengthen country preparedness. It is developing a common framework for capacity-building

[1] Although fully supportive of the transformative agenda process, in order to maintain their independence, the International Committee of the Red Cross and the International Federation of Red Cross and Red Crescent Societies, which are not members of, but standing invitees to, the Inter-Agency Standing Committee, are not signatories to the 2012 transformative agenda protocols.

for emergency preparedness, which will combine the efforts of humanitarian and development organizations at the country level to develop, support and complement the capacity of national and local governments and communities to anticipate and prepare for emergencies.

25. Strengthening legal preparedness continues to be essential for the timely delivery of humanitarian assistance. Mexico and Namibia adopted new legal arrangements drawing on the Guidelines for the domestic facilitation and regulation of international disaster relief and initial recovery assistance, and over a dozen States have relevant legislation currently pending. More States need to establish clear rules and procedures to prevent the most common regulatory problems, such as delays in entry permissions for relief personnel, goods, equipment and transport and oversight gaps with regard to the quality and appropriateness of incoming assistance in large international response operations. The Guidelines and their accompanying Model Act can help States to anticipate and avoid such problems.

Broadening partnerships

26. During the reporting period, the United Nations continued to strengthen its partnerships at the global, regional and national levels. In Latin America and the Caribbean, the United Nations has been supporting 29 countries and regional organizations through the Member States-led Enhancing International Humanitarian Partnerships. The Partnerships endeavour to enhance transparency and accountability in mobilizing resources, upgrading information management and strengthening coordination at all levels by fostering alliances among government departments responsible for humanitarian assistance, the private sector and civil society.

27. In partnership with the African regional economic communities, the United Nations is working with African partners to develop emergency rosters, strengthen networks of disaster managers, deploy rapid response teams, disburse humanitarian funds and improve crisis-related information management. The Office for the Coordination of Humanitarian Affairs supported the humanitarian department of the Organization of Islamic Cooperation (OIC), including through outreach and capacity-building work with OIC-affiliated NGOs, in addition to a joint partnership mission to the Niger, Mali and Burkina Faso. In the Asia and Pacific region, the Office for the Coordination of Humanitarian Affairs launched the Asia Pacific guide for disaster managers, a guide to assist national disaster management organizations with regard to available international services and tools to support their response and preparedness capability.

28. Engagement at the global and strategic levels on policy and operational issues has also been strengthened. In May 2012, the Government of Turkmenistan, OIC and UNHCR organized the International Ministerial Conference on Refugees in the Muslim World. Noting that most of the refugees in the world are hosted by OIC member States, the Conference adopted the Ashgabat Declaration urging the international community, in cooperation with UNHCR and other relevant international organizations, to redouble efforts to address the root causes of refugee situations. Member States and the Office for the Coordination of Humanitarian Affairs have also continued to improve dialogue on humanitarian issues, including through the informal dialogue on humanitarian partnership, co-chaired by Sweden and Brazil, and the disaster response dialogue, a joint initiative of Switzerland, the

Office for the Coordination of Humanitarian Affairs, IFRC and the International Council of Voluntary Agencies.

Humanitarian financing

29. In 2012, at least 100 countries, as well as private sector organizations and individuals, contributed towards a total of $12.7 billion[2] in funding both within and outside the consolidated appeals process. This was an overall decrease from recent years, which may be explained by the absence of any "mega" natural disaster. Funding through the consolidated appeals process in absolute terms and in proportion to consolidated appeal requirements was similar to that of 2011: $5.6 billion funded out of $8.9 billion requested (63 per cent) in both years.

30. Member States and the private sector contributed $427 million in pledges and contributions to the Central Emergency Response Fund. These contributions, along with funds transferred from the Central Emergency Response Fund loan window and reserves carried over from 2011, allowed the Emergency Relief Coordinator to allocate some $485 million to implement life-saving activities in emergencies in 44 countries and territories, the highest annual amount allocated since the Fund's inception in 2006.

31. Country-based pooled funds — Common Humanitarian Funds and Emergency Response Funds — received a total of $472 million in donor contributions in 2012. This year, new country-based pooled funds were established in South Sudan and the Syrian Arab Republic. The Common Humanitarian Funds were introduced in 2006 to provide timely and predictable funding to the most critical humanitarian needs as identified in the consolidated appeals process. In 2012, contributions to the five Common Humanitarian Funds reached an all-time high of $386 million, with 58 per cent of total funds allocated to NGOs.

32. In 1997, Emergency Response Funds were established with the purpose of providing humanitarian assistance for new and unforeseen emergency needs through support to international and national NGOs. There are currently Emergency Response Funds active in 13 countries. In 2012, the Funds received $86 million in contributions, allocating 70 per cent to NGOs. A global Emergency Response Fund evaluation conducted during the reporting period found that the Funds can have a valuable role in the humanitarian financing architecture despite the relatively small size of the funds.

33. In order to improve the humanitarian response to protracted crises and promote a response that contributes to building the resilience of vulnerable communities, new multi-year consolidated appeals processes are being piloted. In 2011, a three-year consolidated appeals process for Kenya was issued, and in 2013 a new three-year consolidated appeals process was issued for Somalia with phased objectives and targets that are tailored to the country context with a dual focus on life-saving interventions and resilience-building initiatives. The multi-year consolidated appeals processes will improve transition planning and financing and contribute towards better alignment of humanitarian and development programming. The use of multi-year consolidated appeals processes could be considered for other protracted crises where the situation is unlikely to fluctuate dramatically over an extended period of time.

[2] As recorded by the Financial Tracking Service as at 3 April 2013 at http://fts.unocha.org/.

Information management and needs assessment

34. In response to the increasing volume and scope of data generated in humanitarian emergencies, significant work has been undertaken within the international humanitarian system to develop guidance on best practice in needs assessment and underlying information management. There has also been an increasing awareness of the importance of needs assessment and information management and associated good practice. For example, UNHCR and the United Nations Children's Fund (UNICEF) have both introduced information management strategies, and the response to the release of the IASC Operational Guidance on Coordinated Assessments in Humanitarian Crises has been positive, with both host Governments and humanitarian country teams requesting assistance in customizing and implementing the guidelines. The launch of humanitarianresponse.info and UNHCR regional web portals for refugee response (http://data.unhcr.org) has facilitated the access of humanitarian actors to operational information and relevant resources.

35. While there has been progress in developing guidance for improved information management, challenges still remain in translating this guidance into practice at the operational level. Demand for technically skilled capacity to undertake effective needs assessments and information management in the field widely exceeds current supply. While efforts are being made to address this, more could be done to build the information management capacity of Governments and local NGOs. A data-rich evidence base requires physical access to areas of humanitarian needs, access to data already collected and for datasets to be compatible to enable cross-analysis of information, all of which remain a challenge in many emergencies.

36. Organizations participating in humanitarian action are encouraged to follow data standards, such as the IASC Common Operational Datasets when organizing their data and to provide open access to the data when protection and security concerns allow it. Such measures would facilitate the compilation of a wide range of data into a series of easily consumable information products aimed at decision-makers in emergency situations. These products would directly support national and international responders and affected communities in preparing for and responding to crises.

Improving humanitarian action for all

37. Humanitarian crises do not affect all people evenly. For humanitarian action to be effective, it must be shaped by an understanding of the different needs of women, girls, boys and men, persons with disabilities, adolescents and the elderly to ensure that they have equal access to and benefit from services.

38. The IASC Gender Marker is a practical tool that grades consolidated appeals process projects on how well they ensure that the different needs of women, girls, boys and men are integrated into humanitarian programming. In 2013, the IASC Gender Marker was applied in 16 consolidated appeals processes and five country-based pooled funds, with 52 per cent of the projects identified as having the potential to contribute significantly to gender equality. As the Gender Marker was only mandatory in consolidated appeals processes from 2012, it will be important to ensure that efforts to integrate gender concerns into project design are implemented

and monitored to ensure that humanitarian programmes are benefiting women, girls, boys and men equally.

39. In humanitarian emergencies people can be placed at increased risk of gender-based violence as institutions and systems that provide physical and social protection may be weakened or destroyed. Families and communities are often separated, which can result in a further breakdown of existing community support systems and protection mechanisms. The IASC has scaled up efforts to strengthen gender-based violence prevention and response during humanitarian emergencies. A new rapid response team was deployed on 18 missions in 14 humanitarian emergencies to support humanitarian actors in ensuring that actions to prevent and respond to gender-based violence were addressed across their sectoral programmes. More could be done by Governments and humanitarian organizations to provide and fund specific programmes that address gender-based violence concerns, including counselling, connecting survivors to assistance and providing safety to women and girls in humanitarian emergencies.

40. United Nations agencies have also made progress in integrating the needs of persons with disabilities into humanitarian action. For example, UNHCR adopted its own operational guidelines *Working with Persons with Disabilities in Forced Displacement*, and is providing technical support on disability inclusion to their country operations through partner organizations. UNICEF is also developing a disabilities strategy that will address issues of equity for persons living with disability in humanitarian emergencies. However, while steps are being taken by individual humanitarian organizations, there is a need for standards and guidelines that systematically integrate the needs of persons with disabilities and older people into humanitarian programming. For example, a study conducted by HelpAge International and Handicap International[3] identified that only 1.6 per cent and 0.78 per cent of projects submitted for the consolidated appeals process or flash appeals in 2010 and 2011 included one or more activities targeting people with disabilities and older people, respectively.

41. While progress has been made in the collection of sex, age and disability disaggregated data, more could be done to systematically collect and analyse this data to inform the design, the implementation and the monitoring of humanitarian programming.

B. Strengthening adherence to humanitarian principles and access to populations

Operating in high-risk environments

42. Despite humanitarian workers efforts to strengthen operational security in insecure enviro..ments, attacks that have led to death, kidnapping or serious injury continue to exact a heavy toll on humanitarian personnel. Preliminary records of the Aid Worker Security Database for 2012[4] show that the numbers of aid workers killed and seriously wounded decreased by 58 per cent and 18 per cent, respectively,

[3] "A Study of Humanitarian Financing for Older People and People with Disabilities, 2010-2011" (HelpAge International and Handicap International, Lyon, 2012).

[4] Available from https://aidworkersecurity.org/incidents. Figures may change as data collection for 2012 is not finalized.

against the average of the previous 10 years. Kidnappings and the use of explosive weapons in populated areas became the most frequent means of violence against aid workers, with kidnappings increasing by 49 per cent and the use of explosive weapons resulting in the death of 6 aid workers, while 23 others were seriously wounded. This is indicative of a broader concern over the humanitarian impact of the use of explosive weapons in populated areas. Member States, the United Nations and its partners need to identify policy and operational options that might be taken to protect civilians from the short and long-term effects of such weapons.

43. In spite of special protection afforded by international humanitarian law and applicable international human rights law for health care and health-care providers, in many countries attacks or threats directed against health-care personnel, facilities, vehicles and services continue to prevent the wounded and sick from receiving the care and protection they require. From January to December 2012, ICRC documented more than 921 incidents that have affected the delivery of health care to people in need. In 91 per cent of the incidents registered, local health-care providers were directly affected by violence, primarily in the form of threats.

44. In the light of these challenges, humanitarian workers, including health-care personnel, must work together to manage security risks in the most complex environments, including through engagement with communities to build acceptance and trust; by implementing effective security measures that balance risk against the humanitarian imperative; and sharing security information, assets and expertise among humanitarian actors. Host States possess clear formal responsibility for the safety and security of aid workers. More can be done to strengthen coordination between host States and humanitarian organizations to enhance the safety and security of humanitarian personnel while at the same time maintaining humanitarian access in order to reach those in most need.

Humanitarian access

45. Making sure that humanitarian organizations are able to access people in need is fundamental to saving lives. For example, it is essential to move goods and personnel to where they are needed and to ensure that affected people fully benefit from available assistance and protection. In situations of armed conflict, under international humanitarian law the primary responsibility for protecting and meeting the needs of civilians lies with the party under whose control they find themselves. If the party is unable or unwilling to do so, humanitarian agencies can offer their services. Such offers must not be considered as interference in domestic affairs, and consent to relief operations must not be arbitrarily denied. Parties to the conflict must allow and facilitate rapid and unimpeded passage of humanitarian relief for civilians in need. These obligations must be respected, including in situations where the most effective means of achieving rapid access involves humanitarian operations that cross lines of conflict or international borders.

46. The data in the access monitoring and reporting framework of the Office for the Coordination of Humanitarian Affairs shows that the access constraints that were most common in 2012 and that had the most severe consequences for affected people were: (a) restrictions on the movement of humanitarian workers or goods; (b) active hostilities; (c) interference in humanitarian activities; and (d) violence against humanitarian workers.

47. Humanitarian access should not be imposed through the use of force, as association of humanitarian action with armed actors can undermine the neutrality of the response and compromise the safety and access of humanitarian workers and the people they serve. Therefore, humanitarian access needs to be constantly negotiated with all relevant parties. "Humanitarian negotiations" are generally understood as negotiations conducted by humanitarian actors with relevant parties in order to achieve purely humanitarian objectives, such as access to carry out needs assessments, and to provide assistance and protection. Negotiations should not, for example, be confused with or linked to political mediation. Nor should engagement with non-State armed groups for the purposes of humanitarian negotiation be interpreted as conferring any degree of political legitimacy upon such groups.

48. An example of good practice is the new approach to humanitarian access that was implemented by the United Nations and other humanitarian agencies during the polio campaign in Afghanistan (2012/13), in which 11 million children were vaccinated. That approach was based on increasing engagement at the local community level in order to achieve better acceptance of the campaign. As a result, there were improvements in the analysis of local situations, which led to more accurate risk assessments. Another key step was the increased involvement of all sides in negotiating access, which, with better quality and real time information, improved the safety and security of the health personnel involved in the campaign.

49. Despite examples of good practice and the clear obligations imposed by international humanitarian law, access is frequently delayed, impeded or denied. In some cases, the imposition of constraints on access can amount to violation of international humanitarian law. More must be done to ensure accountability for grave instances of deliberate delays or denials of access for humanitarian operations, as well as attacks against humanitarian workers, including through referrals to the International Criminal Court or domestic prosecutions.

Protection

50. The protection of people from harm is a fundamental component of the principle of humanity and therefore a core objective of all humanitarian action. Protection encompasses all activities aimed at securing full respect for the rights of individuals in accordance with international law — international humanitarian law, human rights and refugee law. The aim of protection is to create an environment in which dignity is respected, specific patterns of abuse are prevented or their immediate effects alleviated, and dignified conditions of life are restored.

51. Protecting people from harm requires a comprehensive response from the humanitarian community involving legal, policy, operational and advocacy elements. In situations where people face grave violations of international humanitarian law, human rights law and refugee law, it is particularly critical that humanitarian actors work closely together to ensure a principled and coordinated response. In these situations Member States must also advocate and use their leverage with the relevant parties to advance the protection of civilians.

52. While protection challenges can be particularly acute in situations of conflict, sudden or recurrent natural hazards can also cause or worsen protection problems such as large-scale displacement; gender-based violence; family separation; child trafficking; and unequal access to assistance.

53. During the reporting period, Member States, with the support of United Nations agencies and other humanitarian partners, have taken steps to better address protection concerns, in particular for IDPs. The Special Rapporteur on the human rights of internally displaced persons, Chaloka Beyani, supported Kenya in developing a holistic policy framework and landmark legislation on the protection and assistance of IDPs and other affected communities, which was adopted in 2012. The Philippines similarly adopted legislation on the protection and assistance of IDPs, and Afghanistan is in the process of developing a national IDP policy. In December 2012, the African Union Convention on the Protection of and Assistance to Internally Displaced Persons in Africa, the first regional legally binding treaty on internal displacement, came into force with 17 African countries having ratified the Convention. The treaty applies to displacement generated by a range of causes, including armed conflict, human rights violations, natural disasters and the effects of climate change. Working with the African Union and the African Commission on International Law, UNHCR is currently supporting the development of a model law to assist signatory States to implement the Convention. Member States should continue to address protection concerns, including by providing adequate resources.

Impact of counter-terrorism measures

54. In recent years, humanitarian organizations have grown increasingly concerned about the impact of counter-terrorism legislation and other measures that criminalize the engagement of humanitarian organizations with certain non-State armed groups or that otherwise impede principled humanitarian action. The Office for the Coordination of Humanitarian Affairs and the Norwegian Refugee Council have commissioned an independent study on the impact of national counter-terrorism measures on humanitarian action. The study will include a review of relevant national legislation, an analysis of provisions in funding agreements limiting or imposing conditions on humanitarian activities and a review of how different humanitarian actors have responded to such measures.

IV. Towards a more inclusive, interoperable and effective international humanitarian system[5]

55. The humanitarian operating environment has changed considerably since the international system was created by the General Assembly through its resolution 46/182. Humanitarian caseloads have continued to increase owing to conflict, disasters caused by natural hazards and "chronic crises" in which people who are already vulnerable experience periods of acute vulnerability and humanitarian need. This trend is expected to continue, owing to climate variability, population growth and other demographic changes, including rapid urbanization, financial and energy sector pressures and changing geopolitical factors.

[5] The international humanitarian system can be broadly defined as the network of international humanitarian actors who are functionally connected through the framework for coordination established by the General Assembly in its resolution 46/182 and its subsequent resolutions, which includes the Emergency Relief Coordinator, the Inter-Agency Standing Committee and planning and financing mechanisms, and are guided by a commitment to the guiding principles, humanitarian principles and international law.

56. At the same time, many national Governments and other actors have bolstered their capacities for disaster management over the years, including through developing new regional and national polices and systems for disaster management. This has led to an important shift by humanitarian organizations towards recognizing the more prominent role affected Governments, militaries, local communities, regional organizations and neighbouring countries have, and seek to further develop, in preparing for and responding to emergencies. As more Member States reach middle income status, become donors or providers of in-kind assistance and share their experience and expertise, they are also setting out their interests and expectations of the international humanitarian system. The number of non-governmental organizations operating in humanitarian emergencies has also grown, with the largest recent increases being the number of actors from the global South.

57. In addition, the rise and proliferation of new technologies in crisis-affected countries, including mobile phones and social media, is making it easier for local actors and communities to communicate wants and needs and to self-organize. This change is also bringing important new players into humanitarian response, including local telecommunication companies and Internet service providers, and radically changing the roles of others, such as diaspora groups and volunteers.

58. These changes require the international humanitarian system to continue to adapt current approaches to better work with national and local actors, communities and emerging actors such as the private sector. For example, many of these actors already have in place, or will seek to develop, their own systems and processes for responding to humanitarian emergencies. Given these developments, it will be important for the United Nations and its partners to be able to operate with these new systems and networks in order to maximize use of available capacity, improve overall coordination and together provide humanitarian assistance to more people. In order to improve this "interoperability", the development of new and complementary standard operating procedures between the international humanitarian system and other actors, such as the private sector, the military and the volunteer and technical community, may be required.

Humanitarian effectiveness

59. The international humanitarian system must also ensure it is as effective as possible to meet the challenges resulting from a changing humanitarian landscape. While there is no agreed definition of humanitarian effectiveness, there is strong consensus that the fundamental goal of humanitarian action is to save lives and alleviate suffering. Humanitarian effectiveness is often discussed in terms of transparency, relevance, readiness, performance, speed of response, value for money and accountability to affected countries, people and donors. However, what constitutes "effectiveness" will often depend on the context of the crisis — natural disasters compared to conflicts or situations of chronic vulnerability — and the perspective of the stakeholder (affected people, affected States, donors, humanitarian organizations and other key actors).

60. There is a need to develop a greater understanding of how these different perspectives on what constitutes effectiveness interrelate and how they apply in different humanitarian situations. Such an understanding is important in ensuring that all actors are contributing towards more effective humanitarian action and for

promoting greater accountability. It will be essential to draw upon existing initiatives such as the IASC transformative agenda, the Joint Standards Initiative and the Good Humanitarian Donorship, as well as existing best practice in developing greater understanding.

A. Innovation

Why we need innovation

61. Increasing humanitarian caseloads and the rapid growth of technology is providing new opportunities for innovation in humanitarian action. Ericsson has predicted that there will be 3.3 billion smartphone subscriptions, with the majority of those in the developing world, by 2018. Other new technologies, from advances in water filtration, solar power or 3-D printing, have the vast potential to transform the way humanitarian organizations work, for example, by enabling people in refugee camps to produce life-saving items locally, with minimal logistical and infrastructure implications. But innovation is not just about new technologies or "inventions". It is also about the creation of new products and the adoption of approaches, processes, partnerships and positions, often in combination, that can address systemic challenges.

62. For example, following the 2008 post-election violence in Kenya, humanitarian organizations adopted the use of M-PESA, a nationwide electronic cash service that allowed NGOs, whose food distributions were becoming costly and problematic in an insecure environment, to transfer money through short message service to people in need of assistance. The use of cash transfers — and now mobile cash transfers — has demonstrated how new approaches to distribution of aid can, in appropriate environments, make emergency response faster and more cost-effective, streamline the footprint, improve human dignity and alleviate access constraints. Taking advantage of these innovations and new ways of working will be critical to ensure that humanitarian actors respond with the best partnerships, services, skills and products in a changing world.

63. While innovation is not new to the humanitarian system, most innovations have been ad hoc and the system is often slow to adapt to new ways of working. The increasingly rapid pace of global and technological change has seen an increasing interest in finding ways to systematically increase the pace of innovation and adaption. For example, UNHCR has been developing a Refugee Housing Unit that seeks to find new solutions to creating better living conditions for refugees. It is working with universities, the private sector and foundations. UNICEF has been supporting the development of a Rapid Family Tracing and Reunification (RapidFTR) system through an open source, volunteer-driven project. However, many innovations are piloted but never scaled up or used by the wider humanitarian community.

Supporting humanitarian innovation

64. The challenge for the international humanitarian system in terms of innovation is not in simply doing something novel, but in learning from past experiences (both positive and negative) and applying the lessons learned in a way that improves effectiveness. Enabling greater innovation in humanitarian response will require more investment in research and development to adapt ideas and technologies to

humanitarian uses; organizational reform to create internal structures and cultures that are conducive to implementing innovative practices; learning from practices at the regional and country levels; more involvement of affected people, including adopting more ideas developed by communities themselves; greater involvement of other actors, including the private sector; and the development of standards to ensure that innovative approaches are in line with humanitarian ethics.

B. Reducing vulnerability and managing risks of humanitarian crises

65. Given the changing and interconnected drivers of crisis, Governments, humanitarian and development actors need to work in ways that reduce and manage the risk of crises, rather than simply responding to their impact. This approach requires a better understanding of the drivers of crisis, preventing them from occurring when possible, mitigating the impact when they do occur and promoting sustainable recovery. It also requires deep local knowledge to support the development of practical and effective policies.

Understanding risk and risk management

66. The risk that a humanitarian crisis may occur is a result of both hazards and vulnerability. Hazards are threats to human life and livelihoods and include natural hazards, conflict, technological and industrial accidents, and other shocks, such as food and fuel price spikes. People affected by humanitarian crises may be affected simultaneously by more than one shock or hazard. Vulnerability is the likelihood that an individual or community will suffer adverse effects of being exposed to a hazard. The level of vulnerability of people and communities is a result of many, generally pre-existing, physical, social, economic and environmental factors. Poverty and gender and other forms of inequality are major factors of vulnerability. Poor people are less likely to have the resources to cope in an emergency. Women may be affected differently from men because of gender roles that often determine their social status or family responsibilities. Managing the risk therefore involves addressing hazards, hazard exposure[6] and vulnerability.

67. There are a number of approaches currently being applied by the humanitarian sector and more widely that contribute to managing the risk of humanitarian crises occurring. The "resilience'" approach includes better alignment between humanitarian and development programming to promote sustainable development by better anticipating the conditions that cause crises in order to prevent, better prepare for, respond and recover from them. Resilience encompasses a number of areas, including (a) disaster risk reduction, which seeks to reduce risks associated with natural hazards and climate change; (b) environmental hazard management that addresses technological and industrial hazards; (c) early recovery, which integrates development activities into humanitarian response at the onset of a crisis; and (d) conflict prevention, which aims to reduce the risk of violence and armed conflicts.

68. However, while all these areas seek to contribute to the same outcomes — reduced impact and successful social and economic development — ways of

[6] Exposure is the presence of people, livelihoods and assets in places that could be adversely affected by hazards.

working in the humanitarian and development communities are often not sufficiently aligned to systematically manage the risk of humanitarian crises. For example, a focus on disaster risk reduction may reduce the risks associated with natural hazards, but the overall risk of a humanitarian crisis may only be partially reduced if other hazards, such as threats of conflict or the impact of high food prices on vulnerable communities, are not simultaneously identified, assessed and planned for.

Implementing a risk management approach to humanitarian assistance

69. Applying a systematic and comprehensive risk management approach to crises involves the following steps. First, risk and vulnerability analyses carried out by Governments, development and humanitarian partners must be more closely integrated at the strategic and operational levels. They must also engage Governments, and local actors, particularly those that can assist with addressing the vulnerabilities of "at risk" groups. This requires sharing information, joint risk analysis, investing in capacity to analyse risks and improving trigger mechanisms for responding to increased risks.

70. Second, planning processes by Governments and humanitarian and development partners need to be more closely aligned around common objectives for managing crisis risk. Governments should coordinate planning wherever possible and partners should support capacity-building of national and local counterparts to participate in planning processes. In 2013, United Nations country teams in the Sahel countries will incorporate these two steps in their work with national Governments to develop country-level plans on resilience building. These plans will be underpinned by a joint risk and vulnerability assessment and analysis, and will build upon existing frameworks, policies and plans at the local, national and regional levels to ensure a strategic, coherent and joined-up approach between the Government and humanitarian and development partners at all levels.

71. Third, greater attention must be given to building the capacity of national and sub-national governments and local communities to better prepare, respond and recover from hazards. Early warning systems, social-safety net programmes, contingency planning, livestock and livelihood programmes and risk-proofing essential services such as water, health and education are examples of actions that humanitarian organizations can take to improve national and local capacity. More innovative risk transfer programming, for example, through insurance, should also be used. The R4 Rural Resilience Initiative, a partnership between WFP, Oxfam America and Swiss Re, will enable poor farmers to strengthen their food and income security through an insurance-for-work programme that enables food insecure farmers to work extra days on community disaster risk reduction projects in exchange for a drought insurance policy that will compensate them for losses should a drought occur.

72. Finally, investment for risk management must be increased through national, development and humanitarian channels. Despite evidence that demonstrates that crisis prevention is more effective and cheaper than response, it remains chronically underfunded. According to the Overseas Development Institute, funding for preparedness remains scarce, with little progress made in improving the ability of the international humanitarian system to track disaster risk reduction investment. From the data that is available, preparedness remains a low priority. As recorded by

the Financial Tracking Service, $6.3 billion in humanitarian contributions was provided for the first half of 2012, of which $80.2 million was for emergency preparedness, representing just 1.3 per cent of the total. Data from the Development Assistance Committee of the Organization for Economic Cooperation and Development, which includes a wider category of disaster prevention and preparedness activities, reveals that between 2005 and 2011, $2.4 billion was spent on disaster prevention and preparedness, only 3 per cent of the total spent on humanitarian assistance ($78.3 billion). More needs to be done to increase investment in preparedness at the country level, including through finding more appropriate channels for delivering preparedness financing, and improved systems to track it.

73. A number of processes are under way to identify priorities for the global development agenda beyond 2015, including the post-Millennium Development Goals, the Sustainable Development Goals agenda, and post-Hyogo Framework for Action on Disaster Risk Reduction. The post-2015 development agenda is a unique opportunity to ensure that sufficient priority is given to strategies and programming that can reduce and manage the risk of humanitarian crises. It is also an opportunity to further align humanitarian and development risk analysis and planning processes.

V. World humanitarian summit

74. The Secretary-General has prioritized strengthening humanitarian assistance and promoting humanitarian aid transparency and effectiveness in his Five-Year Action Agenda, with a particular focus on creating an international humanitarian system that is more inclusive. To share knowledge and best practices, the Secretary-General has also called for a world humanitarian summit in 2015.

75. The summit would provide a unique opportunity to bring together a diverse range of humanitarian stakeholders, including affected Member States, affected people, donors, international humanitarian organizations, NGOs, experts and academia to take stock of the changing environment, and agree on how to adapt ways of working and to set an agenda for making humanitarian action fit for the challenges of 2015 and beyond.

VI. Recommendations

76. On the basis of the above, I propose the following:

(a) **Member States, non-State actors and humanitarian organizations to continue to promote greater respect for and adherence to the humanitarian principles of humanity, neutrality, impartiality and independence;**

(b) **Member States and, where applicable, non-State actors to facilitate the rapid and unimpeded passage of humanitarian personnel and relief consignments to affected communities, including by simplifying and expediting procedures for humanitarian personnel and goods;**

(c) **Member States and relevant non-State actors to allow and engage in negotiations for humanitarian operations that are to be carried out in full adherence with humanitarian principles;**

(d) The United Nations and humanitarian organizations to consider the use of multi-year consolidated appeals for protracted crises; Member States and other donors are further encouraged to provide timely, flexible and predictable funding to protracted crises, including through the use of multi-year funding, and to adhere to the principles of Good Humanitarian Donorship;

(e) Member States, the United Nations and humanitarian organizations to continue to build their capacity to collect, analyse and share data, including through the use of data standards such as the IASC common operational datasets, in order to better support national and international planning and response;

(f) The United Nations and humanitarian organizations to continue to integrate preparedness, early action and early recovery approaches in humanitarian programming; Member States and other donors are further encouraged to ensure that preparedness work receives adequate resources, including from both humanitarian and development budgets;

(g) The United Nations and humanitarian organizations to continue to improve the collection and use of sex, age and disability disaggregated data, and to further strengthen the systematic integration of gender analysis and attention to the different needs of women, girls, boys and men, older people and persons with disabilities into humanitarian programming;

(h) Member States and non-State actors to adhere to their legal obligations, raise awareness and support efforts to respect and protect medical personnel, facilities, vehicles and services against attacks or threats, and ensure that the wounded and sick receive the medical care and attention they require;

(i) Member States, United Nations and humanitarian organizations to continue to work together to ensure that the protection needs of affected populations are addressed as a fundamental component of humanitarian response, including through providing timely and adequate resources;

(j) The United Nations to engage in consultations with all relevant stakeholders and review best practice on humanitarian effectiveness and to report back to Member States on progress made;

(k) Member States, the United Nations and humanitarian organizations to continue to assess how innovation can be more systematically identified and integrated into humanitarian action, and share best practices and lessons learned on innovative tools and approaches that could improve the effectiveness of humanitarian action;

(l) Member States, the United Nations and humanitarian and development organizations to improve sharing of information about risks that can lead to humanitarian crises, invest in building the capacity to analyse and communicate such risks and improve mechanisms for joint risk analysis and planning;

(m) Member States, the United Nations and humanitarian and development organizations to continue to build the capacity of national and sub-national governments, local organizations and communities to better prepare for hazards and respond to and recover from disasters.

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High-level segment: annual ministerial review

Letter dated 14 May 2013 from the Chair of the sixty-fifth session of the Economic Commission for Europe addressed to the President of the Economic and Social Council

As you know, the sixty-fifth session of the Economic Commission for Europe was held from 9 to 11 April 2013 in Geneva.

Under item 3 of the high-level segment, the Commission held a panel discussion on "The role of innovation in creating a dynamic and competitive economy" as a contribution to the annual ministerial review of the Economic and Social Council, which will take place in Geneva in July and whose theme is "Science, technology and innovation, and the potential of culture, for promoting sustainable development and achieving the Millennium Development Goals".

I am pleased to enclose the summary of the discussion, which I believe will constitute a valuable input to the deliberations at the Economic and Social Council (see annex). I would also like to request that the present letter and the annex be circulated as a document for consideration under item 2 (b) of the provisional agenda of the 2013 substantive session of the Council.

(*Signed*) Roderick **van Schreven**
Permanent Representative of the Netherlands
to the United Nations and the World Trade Organization in Geneva

* E/2013/100.

13-34245 (E) 140613

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Annex to the letter dated 14 May 2013 from the Chair of the sixty-fifth session of the Economic Commission for Europe addressed to the President of the Economic and Social Council

2013 annual ministerial review of the Economic and Social Council

Submission from the Economic Commission for Europe

I. Introduction

1. In July 2013, the Economic and Social Council will hold its seventh annual ministerial review in Geneva. The review will focus on "Science, technology and innovation, and the potential of culture, for promoting sustainable development and achieving the Millennium Development Goals".

2. The Economic Commission for Europe (ECE), at its sixty-fifth session, from 9 to 11 April 2013, and during the high-level segment, held a panel discussion on "The role of innovation in creating a dynamic and competitive economy" as a contribution to the above-mentioned annual ministerial review.

II. Chair's summary of discussions*

3. In his keynote speech, Néstor Osorio, President of the Economic and Social Council, underlined the importance of innovation to address the interconnected economic, environmental and social dimensions of sustainable development. Science, technology and innovation were identified as key instruments to advance the vision of economic growth contained in the outcome document of the United Nations Conference on Sustainable Development, held in Rio de Janeiro, Brazil, from 20 to 22 June 2012. The 2013 annual ministerial review of the Economic and Social Council will focus on how to harness the power of science, technology and innovation, and the potential of culture, for promoting sustainable development and achieving the Millennium Development Goals. The financial crisis had a negative impact on private research and development spending, which has called for new policy responses. Further advances in innovation require strong political commitment and the adoption of a strategic approach to innovation, including a close alignment of national and regional policies. Stronger partnerships between all relevant stakeholders in innovation will also be critical to accelerate research, development and market deployment of innovations. The Council's focus on innovation can help to make innovation a policy priority, at a time when the international community is shaping the post-2015 development agenda. As acknowledged in the outcome document of the Conference on Sustainable Development, "The future we want" (General Assembly resolution 66/288), technology transfer is a key to enabling developing countries to meet those challenges. Mr. Osorio looked forward to the contribution from the panel to the annual ministerial review of the Economic and Social Council, since Europe was a major source of technology transfer, and ECE was uniquely placed to take stock of

* The text summarizes the main points made by the different participants and should not be understood as reflecting positions agreed by States members of ECE.

technological progress in Europe and to help to transfer knowledge and experience to developing and transition economies.

4. The panel session was moderated by Pierre Kladny, Managing Partner of ValleyRoad Capital and Chair of the Swiss Private Equity and Corporate Finance Association (SECA) (French chapter).

5. Yigal Erlich, Founder and Managing Partner, the Yozma Group, Israel, spoke on how to create an innovation ecosystem and the policy experiences of Israel in that regard. There were a number of important factors that influenced success, including in particular the existence of an entrepreneurial culture and the tolerance for failure. Global ambitions from the very beginning facilitated scaling-up initial efforts. The availability of high-quality human resources also played an important role. The presence of global companies also contributed to Israel's success. Government support was pivotal to the development of the venture capital industry. That support was structured in a way that led to sharing risks, while leaving investment decisions in the private sector and creating incentives for positive performance.

6. Giovanni Anelli, Chief of the Knowledge Transfer Group of the European Organization for Nuclear Research (CERN), discussed the role of research institutions in generating and diffusing new knowledge. While pursuing its ambitious fundamental physics research programme, CERN constantly innovated in many fields. The knowledge and the technologies developed while building accelerators and carrying out physics experiments could find many applications in other fields, thus having a positive impact on society. That could happen, for example, through the creation of new companies, the adoption by existing companies of some technologies to manufacture new products or introduce new services or through other dissemination channels. Some examples of disruptive innovation generated at CERN were the World Wide Web and detectors for medical imaging instruments. Research organizations had a key role to play in generating innovation that could create concrete benefits for the economy.

7. Philippe Ramet, Head of Unit, International and European Relations, Ministry of Ecology, Sustainable Development and Energy, France, reiterated the commitment of France to achieving the Millennium Development Goals and to shaping the post-2015 development agenda, the Fourth High-level Forum on Aid Effectiveness (Busan, Republic of Korea, 2011), the follow-up to the United Nations Conference on Sustainable Development and the Sustainable Development Goals. The development policy of France rested on three axes: economic development, peace and security, and safeguarding and preserving the environment, in order to eradicate poverty. In keeping with the theme of the annual ministerial review, Mr. Ramet argued that innovation for the purposes of creating a dynamic and competitive economy must be put to the service of a green and inclusive growth. He also underlined the role of culture in promoting development and access to information as essential for good governance and the promotion of democracy. In that regard, France was convinced that research to serve development and access to scientific results contributed to sustainable economic growth, and that research and development policy needed to be a part of development assistance. At the same time, the difficult current financial context put additional constraints on the public sector. France therefore encouraged the emergence of innovative modes of financing for development to complement traditional aid. The scope of the necessary changes

made it impossible for public actors to shoulder alone the associated burden of transformation and innovation. It was therefore imperative for governments to leverage synergies and to mobilize private actors and social innovation through support for fundamental research, for the diffusion of innovations, or through fiscal incentives adapted to new economic models.

8. Pawel Stelmaszczyk, Head of Unit, European Commission, Directorate General for Mobility and Transport, discussed innovations in intelligent transport systems and the mechanisms of support in the context of the European Union Horizon 2020 Strategy. The logic of intervention followed a holistic approach that recognized modal specificities, focused on societal changes and took into account the imperatives of competitiveness. Policy success required striking the right balance across multiple dimensions. A resource-efficient transport system that respected the environment required the introduction of new technologies. The aim was to create a seamless transport system that resulted in better mobility, less congestion and more safety and security. Support to transport should also result in strengthening the competitive advantages of the European transport industry in the global marketplace. Policy design had to be grounded in appropriate research that provided a good basis for forward-looking activities. International cooperation had an important role to play, addressing common challenges and facilitating the emergence of international standards and global systems.

9. Stefan Sundman, Vice-President for Corporate Relations and Development, United Paper Mills — Kymmene Corporation (UPM), Finland, spoke about innovation in a forest-based economy. Wood-based biomass played an important and constantly growing role in the bioeconomy, where raw materials and energy were derived from renewable sources. The challenges of combating climate change and resource scarcity were becoming more and more evident. One part of the solution to those challenges was to increase sustainable consumption of reusable and recyclable products based on renewable raw materials. Innovations were a foundation for renewal and development. Innovations could be deployed to both increase the productivity of existing processes and create new sustainable products to meet the needs of consumers. Existing businesses, which needed to be cost competitive, were a source of financing for the creation of new products and businesses. There were multiple business opportunities, including revolutionary technologies for the production of biofibrils, high-quality biofuels or biocomposite materials.

10. One or more speakers and participants raised the following points:

(a) Innovation should be conceived in broad terms, encompassing technological and non-technological aspects, business-model innovation, eco-innovation, demand- and user-driven innovation, innovation in services and design, and public sector innovation. A narrow view of innovation that emphasized high technologies missed the opportunities present in other areas.

(b) Innovation policy needed to be designed as an integrated, horizontal, strategic priority, cutting across all relevant areas with leadership from the highest level. Innovation policy as developmental policy should be seen as a horizontal undertaking that leaned on education and science policy but also on small and medium-sized enterprises and industrial policy.

(c) Policies should support both incremental innovation within existing technologies and disruptive innovation leading to systemic changes to the way we produce and consume.

(d) A key example of the latter was greening the economy, which was a large-scale structural transformation that required a regulatory and policy environment that encouraged innovation in many sectors.

(e) The concept of the "circular economy" was mentioned, meaning new ways of consuming and producing, which reduced waste as much as possible through innovative product design, use of renewable materials and energy, replacing products with services, and recycling.

(f) Creating an entrepreneurial culture, including through entrepreneurship education, and a tolerance for failure were highlighted as factors facilitating innovation in a broad variety of national settings. Several participants emphasized the importance of creating an ecosystem for supporting innovative small and medium-sized enterprises and start-ups.

(g) Successful innovation required collaboration between the public and private sectors, and between academia and industry. The importance of bringing different innovation stakeholders together as an important factor for successful policies was emphasized. Strong cooperation, both at the national and regional levels, between decision makers, research institutions, the business sector and civil society at large was necessary.

(h) Innovation also required removing regulatory and financial barriers, by improving, inter alia, access to financing for innovative companies. In that regard, the proper role of government in financing innovation and the appropriate mechanisms for risk-sharing between the public and the private sectors were discussed.

(i) Public-private partnerships could facilitate the mobilization of financing to develop the infrastructure and public services required to support resource-efficient, innovative and competitive economies. The collaboration between the public and the private sectors underpinned most policy instruments aiming to promote innovation. The work of the Economic Commission for Europe in that area was of great value for the region and beyond.

(j) Innovation acquired heightened importance in the face of the current economic and financial crisis as a way to improve productivity and competitiveness, and as a way to do more with less at a time of limited budgets. A good example was intelligent transport systems, which increased the carrying capacity of existing transport infrastructures and therefore reduced the need for investment in expanding networks.

(k) Some old traditional sectors, like forestry, could renew themselves through innovative solutions and lead the way towards the green economy.

(l) In a globalized economy, innovative companies must compete internationally. That meant that national innovation policies benefited from benchmarking against international good practice.

(m) At the same time, some of the societal challenges which innovation could help to solve were global in nature; solutions would therefore benefit from international cooperation.

(n) Knowledge-sharing on innovation depended on the existence of appropriate monitoring and assessment mechanisms that could provide a good foundation for policy design. ECE offered a platform for the exchange of policy experiences and assisted countries in producing tools for assessing their innovation performance.

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Letter dated 15 May 2013 from the Permanent Representative of Viet Nam to the United Nations addressed to the President of the Economic and Social Council

Attached herewith is the national report of Viet Nam on progress towards the achievement of the internationally agreed goals, including the Millennium Development Goals, for the annual ministerial review to be held during the high-level segment of the substantive session of 2013 of the Economic and Social Council (see annex).

I should be grateful if you would have the present letter and its annex circulated as a document of the Economic and Social Council, under item 2 (b) of the provisional agenda.

(*Signed*) **Le** Hoai Trung
Ambassador
Permanent Representative

* E/2013/100.

13-34303 (E) 140613

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Annex to the letter dated 15 May 2013 from the Permanent Representative of Viet Nam to the United Nations addressed to the President of the Economic and Social Council

VIETNAM NATIONAL REPORT 2013

(FOR Economic and Social Council Annual Ministerial Review)

May 01, 2013

Executive Summary

Poverty Reduction. Vietnam has obtained remarkable poverty reduction during the recent decade. The poverty rate[1] decreased from 58.1 percent in 1993 to 10.7 percent in 2010. Impressive poverty reduction is the result of strong economic growth, trade liberalization as well as poverty reduction policies targeted directly towards the disadvantaged groups. However, the rates of poverty reduction vary across different ethnic groups and regions. Poverty reduction is unsustainable. A section of the ethnic minority and rural residents still suffer from chronic poverty and do not benefit much from the economic growth and support policies. Urban poverty appears to be an emerging problem due to the high influx of rural migrants and rapid urbanization process.

Education. The country has achieved universal primary education[2]. By 2012, net enrolment rates (NET) for primary education reached 97.7 percent and the NET for lower secondary education is 87.2 percent. Inequality in education access persists between the majority and the minority, migrant and non-migrant as well as between the rural and the urban populations. Quality of the education, especially in teaching and learning is a critical challenge. There is a huge need for educational reforms in teaching and learning and for improvement in school facilities to ensure that the education system can keep up with the rapidly changing economy.

Gender equality. Gender equality has been achieved at the secondary education level but disparity is evident at the higher education level. Males have better access to decent work than their female counterparts. Female are more likely to do agricultural and low-skill work as compared to male. Women's representation in National Assembly decreased to 24.4 percent in 2011. The first National Strategy and National Program on Gender Equality for the period 2011-2020 was formulated to raise social awareness on the importance of gender equality and to promote women's role in political, social and economic areas.

Health. Vietnam's overall health status has experienced huge improvement. Child mortality rates decreased to 23 per 1,000 births by 2012, falling by more than two-thirds since 1990. The country has obtained its MDG for malaria control and prevention. HIV/AIDS prevention and control efforts show progress in identifying infected cases and providing timely treatments. The Government expresses their commitment to expanding health care services and to addressing emerging health problems through integrating health care as a priority in national development strategies and planning, and implementing national targeted program on health care. The health sector still faces problems with low health care quality and disparities in access to health care services across regions.

Environmental sustainability. Climate change has become one of the most challenging issues in the upcoming years. Climate-related disasters have occurred more frequently, posing huge threat to the economy and livelihood of the most vulnerable groups. The country has adopted multiple programs in response to climate change 2011-2020 covering mitigation and adaptation. Vietnam also receives substantial technical and financial assistance from international organizations and agencies in tackling climate change such as utilization of renewable energy and reducing green house gases.

Global partnership for development. Vietnam has made significant progress in building global partnership. The country has been successful in the chairman role of ASEAN in 2010 and carried out WTO commitment on trade and development. The effort in establishing international partnerships has helped Vietnam attract foreign investment, ODA and utilize trade liberalization opportunities, which eventually facilitates economic growth and poverty reduction processes.

[1] Using poverty line 2006-2010 by the Government of Vietnam
[2] Universal primary education is defined by Vietnam national standard (80 percent)

Science, technology and innovation. The Vietnamese government has accelerated the formulation of a comprehensive framework and legal development on science and technology. Extensive application of scientific and technological innovations has completely transformed all aspects of the society and the economy. Reforms in state management mechanisms have yielded significant improvement in overall productivity of the economy and in the country's local capacities.

Part A. Implementation of national development strategies and policies

MDG 1: Eradicate Extreme Poverty and Hunger

1.1 Progress

Vietnam has obtained remarkable progress in its poverty reduction effort over the past twenty years. The country had achieved MDG 1 of extreme poverty and hunger eradication. The poverty rate fell from 58.1 percent in 1993 to 10.7 percent in 2010[3]. The speed of poverty reduction in Vietnam is impressive: more than 43 million people were lifted out of poverty during the period 1993-2008. A significant decreasing trend is shown in the three most important poverty measurements: poverty incidence, poverty gap and poverty severity.

Remarkable progress has resulted largely from the recent rapid economic growth as well as the Government's strong focus and persistent priority in poverty reduction over recent decades. Most importantly, the rapid economic growth and trade liberalization, supported by macroeconomic policies such as land and trade reforms have created millions of jobs, providing income and lifting millions of people out of poverty. Second, poverty reduction programs and policies have helped the most vulnerable participating more actively into the economic development process.

1.2 National policies

Success in poverty reduction in Vietnam is the result of rigorous economic growth over the past two decades. Liberalization has opened Vietnam to international markets and promoted international trade and foreign investment. Vietnam's joining the World Trade Organization in 2007 has also eliminated trade barriers and facilitated the export of goods with comparative advantages, which in turn creates jobs for low-skilled workers. Despite the impact of recent global economic crisis, Vietnam has maintained its high growth rate, with GDP growth rate standing at 6.1 percent in 2012[4]. From 2000-2012, Vietnam GDP growth rate averaged 6.3 percent[5]. The economic growth process has resulted in creation of millions of jobs for high skill and low skill workers as well as increase in GDP per capita. The employment rate for working population aged 15 and above has increased from 68.3 percent to 75.4 percent[6]. Rigorous economic growth has direct positive impact on poverty reduction.

In addition to macroeconomic development policies, a large number of support policies specifically catering to the disadvantaged groups, particularly the ethnic minority groups have been established. The national programs on job and vocational training have helped increase workers' employability as well as their access to employment. National programs on employments have successfully created 2 million jobs over the period 2006-2010.

[3] VHLSS 2010, GSO using poverty line 2006-2010 by the Government of Vietnam
[4] GSO, 2012
[5] GSO, 2012
[6] GSO, 2012

National poverty reduction polices for the period 2006-2010 had three major strategies: *(i)* promoting production, and livelihood activities to increase the poor's income, *(ii)* improving the poor's access to infrastructure and social services, and *(iii)* building capacity and raising awareness in poor areas. These strategies have been translated into an increasing number of multiple poverty reduction and social assistant programs, which combined a variety of essential socio-economic development elements: public communal infrastructure, credit support for the poor, health insurance, education and vocational training, housing, water sanitation and agricultural extension programs. With comprehensive policy coverage that promotes every important aspect of living condition and steady targets on the most vulnerable and deprived populations in remote communes, these programs have obtained their major objectives of reducing poverty, increasing income levels and improving living standards of the targeted population. By 2010, 77.2 percent of poor households benefit from all support programs and policies, indicating wide policy coverage throughout the country[7].

Sustainability has been strongly incorporated in poverty reduction in most national programs for the period 2011-2020. Programs on sustainable poverty reduction for the period 2011-2020 grants support across a variety of key indicators: health, education, nutrition, housing, legal services, culture, information as well as vocational training support, and job creation for the disadvantaged as well as investment in public infrastructure in especially poverty-stricken areas.

1.3 Challenges and recommendations

Inequality and chronic poverty for the most vulnerable group. National policies and sustained high economic growth have resulted in a substantial reduction in the poverty rate, but the level of poverty reduction varies across geographic and demographic groups due to different levels of participation in the social and economic development process. The rate of poverty reduction has slowed down over time and most of the remaining poor households are concentrated in rural and mountainous areas which are mainly populated by the ethnic minorities. A large proportion of ethnic minorities are unable to escape from poverty and benefits less from the continual economic growth and support policies. More than 10 million people still suffer from poverty in the country. This group lags behind in the economic growth and poverty reduction. There is a need for policy support in multiple socio-economic aspects specifically for the most disadvantaged group.

Sustainability. Poverty reduction is not sustainable because a large proportion of households lifted out of poverty have a high possibility of falling back into poverty. Research studies on poverty show that in recent years, 14.4 percent of the population is considered to be "temporary poor", and an equivalent number of households are most likely to fall back into poverty[8]. Poor and low-income households are highly vulnerable to external and internal risks at community, household and individual levels. Natural disasters, extreme weather events as well as illness are among the highest threats to livelihood. When encountered with shocks, these disadvantaged groups easily fall back into poverty when they have limited access to social protection.

Vietnam has become increasingly exposed to economic crises, climate risk and other types of risk during the globalization process. Access to social protection is ranked among the most important factors that influence living standards, therefore especially important in fighting poverty. The fact that decrease in income, inflation, and illness are the three most critical reasons for falling living standard in 2010[9] reinforces the importance of social protection. Social protection acts as an automatic shield for the poor. The majority of the poor resides in rural areas, and engages in farm

[7] WB, 2012
[8] CAF, 2008, Poverty reduction in Vietnam: Achievement and Challenges
[9] VHLSS 2010, GSO

activities, and these groups have almost no access to any type of insurance such as social insurance, and unemployment insurance. Access to social protection for the disadvantaged group is an essential strategy.

Urban poverty. While urban poverty experiences substantial reduction in recent years, rapid urbanization with an influx of immigrants from rural areas in recent years has challenged efforts in raising living standards and socio-economic development in urban areas. There exist significant non-monetary poverty dimensions of urban migrants, particularly in social inclusion, social protection, and access to social services in health and education[10].

Vietnamese society has become more complex than two decades ago when the country had just started the New Reform. Even though Vietnam has become a lower-middle-income country, a substantial section of the population has not been able to escape from poverty. Economic growth plays a pivotal role in reducing poverty; therefore macroeconomic policies to ensure sustainable economic growth should be the first priority, in addition to poverty reduction programs. Poverty has become a more complex and multifaceted problem as characteristics of the poor have been constantly changing. This change requires the formulation of sophisticated and intricate policies that take into account distinct characteristics of every target group so that poverty reduction efforts can achieve effectiveness, alleviate inequality and ensure sustainability.

MDG 2: Achieve Universal Primary Education

2.1 Progress

Vietnam has obtained universal primary education by Vietnam national standard. Net enrolment rate for every educational level consistently increased over the period 2006 – 2012. By 2012, net enrolment rates for primary education stood at 97.7 percent, and the corresponding figure for lower secondary education was 87.2 percent. Completion rates for primary education stands at 92.1 percent, indicating a substantial 7.9 percent who did not complete primary education[11]. Even though access to primary education improves annually, the target of every child completing a full course of primary schooling by 2015 is attainable but highly challenging.

The quality of education has improved on multiple aspects. A substantial number of schools have been newly constructed and renovated to fulfill the increasing demand for all educational levels. Every commune has primary schools; lower secondary school is available in every district. Number of teachers per class has increased for all educational levels; education at remote and mountainous areas has improved extensively, with an increase in number of educational and vocational training centers at these areas. Education has received growing attention as households' expense on education has risen at both rural and urban areas over the years.

2.2 National policies

Quality education is an essential factor in enhancing productivity, growth and social development. The Government has set out a comprehensive list of national policies that provide support to both kindergarten and secondary education. The determination of the Government in building a quality education system is highlighted in the Socio-Economic Development Strategy 2011-2010 and the Education Strategic Development Plan 2011-2020. The Strategy emphasizes building a systematic

[10] Social Services for Human Development, Vietnam Human Development Report 2011, UNDP
[11] GSO, 2012

and well-rounded education system with knowledge, innovation, equity, and applicability to embrace a fast-paced growing economy.

Multiple national and regional policies have been constructed and implemented in the past decade to reach two strategic goals: *(i)* to encourage school enrolment at every educational level, and *(ii)* to improve quality of education. The former goal is realized through constructions of schools in remote areas, as well as the application of education fee discounts and exemptions for disadvantaged populations.

The Government has established a comprehensive list of policies pertaining to improving quality of education in important aspects as well as focused its policies on promoting education in the most disadvantaged regions to reduce inequality in education access. Notably, the Government has brought forward a separate policy supporting education fees over the period 2010-2015 for students in poor areas and ethnic minority students throughout their schooling duration. Multiple education support components integrated into various socio-economic development and poverty reduction policies have garnered noticeable success. Construction of school buildings in geographically difficult locations has contributed towards substantial increases in school enrolments, especially at lower secondary and upper secondary levels.

Ongoing national policies and programs during the period 2010-2015 put tremendous support in providing facilities for schools located in remote mountainous areas and raising teachers' qualification. Government policies have paid adequate attention to capacity strengthening for schools in distant locations through improving pedagogical skill, developing suitable teaching syllabuses for teachers and education officials, and building accommodation for teachers working at these locations.

2.3 Challenges and recommendation

Education equity. Rigorous education policies and strategies have resulted in increasing education opportunities for disadvantaged groups in Vietnam, demonstrated through significant improvement in attainment and completion rates in primary and secondary education. Yet, there exist clear disparities in access to education between rural and urban areas, between the ethnic majority and the ethnic minority. Remote and highland regions where most ethnic minorities reside experience remarkably lower enrolment rates for secondary education than those in the remaining regions. Statistics show primary school attendance rates higher than 96 percent across all six geographic regions, whereas the completion rates for remote and highland regions (the Northern Uplands, the Central Highlands, the Mekong River Delta) are below 90 percent. Huge disparity is also observed for literacy rates between the Kinh and the ethnic minorities, where the difference is up to 17 percent.

Quality of education. Amidst rapid economic growth and the globalization process, there is strong demand for a higher performing education system to build a sustainable foundation for human development. Vietnam's educational system still faces low quality teaching and learning. Low-quality schooling contributes significantly to insufficient learning outcomes. About 20 percent of enrolled students do not complete lower secondary education and the corresponding figure for primary education is 8 percent in 2012. This phenomenon suggests that the payoffs to universal primary and secondary education is limited if students are not acquiring necessary knowledge and skills for higher education and unable to meet the changing demand of a growing economy. Low education quality partially results from poor school facilities, learning and teaching equipment as well as the weak capacity of teachers and school management staff.

In order to improve student performance and the quality of the education system, it is important to identify the underlying ways of building up sustainable and cost-effective solutions. Education policy reforms would be most effective at improving qualification of teacher and school qualities. Research studies suggest three areas of policy reform to address the current problems of inadequacies in teacher and school factors: *(i)* school supply and price of schooling, *(ii)* school resources/management, and *(iii)* teachers and pedagogy. While previous and current policies have more and less addressed these areas, there should be a more systematic and comprehensive set of policies to address each dimension and select the appropriate target group for support to ensure the effectiveness of policy implementation.

MDG 3: Promote Gender Equality and Empower Women

3.1 Progress

Vietnam has achieved rapid progress on gender equality targets. *Regarding education access*, the country has almost eliminated gender disparity in primary and lower secondary education over the period 2006-2010. There is no significant difference in net enrolment rates between boys and girls in primary and lower secondary education. Net enrolment rates for primary education in 2010 were 92.3 percent and 91.5 percent for boys and girls respectively. The corresponding figures for lower secondary education were 80.1 percent and 82.6 percent[12]. Disparity in school access is more apparent at upper secondary education, with a significant 10 percent higher female enrollment. *With regard to employment*, the male workforce still shows huge advantages in access to higher-income and decent work. Labor force participation rate for males is 9 percent higher than that of female and this trend persists over the past few years. In 2010, the percent of males aged 15 and over working as waged employment in the non-farm sector is 40.2 percent, almost 1.5 times higher than the corresponding figure for their female counterparts (28 percent)[13]. *Regarding female representation in social and political positions*, women held 24.4 percent of seats in the National Assembly.

3.2 National polices

The Government has acknowledged the importance of gender equality in social economic development through the establishment of multiple national-scale programs and strategies on gender equality for the period 2011-2020. These policies define gender equality as the fundamental element in building up a solid human resource foundation as well as in elevating quality of life for each individual, each family and the whole society, therefore aim to raise awareness on gender equality and change social behavior and perceptions that have been deeply rooted in the society. For the first time, the Government has established the National Program on Gender Equality 2011-2015 and the first National Strategy on Gender Equality 2011-2020 fostering implementation of Gender Equality Law 2006. This establishment marks groundbreaking change in national approach towards gender equality in Vietnam. These policies put focus on *(i)* capacity building for women to encourage their active participation in cultural, social economic activities as well as to strengthen their positions in social and political arenas *(ii)* promote women's access to public and social services *(iii)* raise awareness in the society about gender equality and eliminate gender inequality behaviors and perception in the family and in the community through organization of campaign, mass media, capacity building projects for women.

[12] VHLSS 2010, GSO
[13] VHLSS 2010, GSO

Vietnam has received considerable support from international organizations and agencies in tackling gender inequality issues, especially for disadvantaged groups. UN Women plays a critical role in policy dialogue with the Government and facilitation of National Program and National Strategy for Gender Equity through its provision of technical and financial assistance to the Government, local authorities and targeted beneficiary groups. The three-year Joint Program on Gender Equality (JPGE) is among notable support programs. Through JPGE, 12 UN agencies in partnership with the Government of Vietnam have provided strategic, coordinative and multi-sectoral capacity building and technical assistance for relevant national and provincial parties in implementing the GEL and DVL. The program provides evidence-based information for national policy dialogues on gender equality with special attention being paid to marginalized groups, such as rural women and their families in poverty.

3.3 Challenges and recommendations

Inequality in higher education. As primary education has gradually been universalized in Vietnam and access to lower secondary education has been substantially enhanced with increases in school numbers and geographical coverage, gender inequality is no longer a critical problem at these educational levels. Gender equality becomes more evident in higher education, including upper secondary and tertiary education.

Employment. Gender inequality still persists in the labor market. The rural labor market in particular has experienced increasing gender inequality in terms of access to wage employment[14]. While males are increasingly over-represented in high-productivity, formal jobs, a large section of women still undertake low-productivity, informal jobs, especially in agriculture and services. In 2010, 78.4 percent of employed female workers undertook farm activities as their main jobs, while the corresponding figure for their male counterparts is 24 percent lower[15]. Even though agricultural work accounts for a large share of the rural job market, the earnings from this sector are usually insufficient to fulfill a family's basic needs.

Female representation in National Assembly. In 2011, the percentage of female representation in National Assembly is 24.4 percent, 1.4 percent lower than the previous year's figure. Nevertheless, female representation in National Assembly in Vietnam is relatively high compared to worldwide. The figure is the highest among Southeast Asia countries. Statistics shows a lower number of women candidates and lower election rates as compared to men. 2011 figures show women candidates accounted for only 34.1 percent of the whole candidate group and rates of election for women is 20 percent lower than men[16]. The traditional roles of women in the family and in Vietnamese society, complemented by deep-rooted perceptions of gender bias, create further obstacles for women towards obtaining an important position at workplace.

Gender biased perception and limited knowledge and access to legal information, such as the Law on Gender Equality (GEL) and the Law on Domestic Violence Prevention and Control (DVL) contribute towards evidence of gender inequality. *First*, gender bias results in the phenomenon that males are more respected and given more privileges than females in family and society. Many families have a preference for sons, resulting in a significant disparity in boy-girl ratio at birth. Sex ratio at birth in 2009 is reported at 110.6 boys to 100 girls nationally[17]. *Second*, limited knowledge on legal documents protecting human rights such as the GEL and DVL put women, especially those from low

[14] Vietnam Employment Trends Report 2009 and 2010 by MOLISA and ILO
[15] VHLSS 2010, GSO
[16] Inter-parliamentary Union
[17] Vietnam Housing and Population Census 2009

educational background, at a disadvantaged position in their family as well as in the society. Limited knowledge and awareness of gender equality is a big challenge towards obtaining MDG3.

Female empowerment and gender equity cannot be achieved solely with the implementation of policies and programs on gender equality. The goal can only be realized through simultaneous multi-sector efforts in the education, health and employment sectors. As the problem cannot be solved solely by improving physical conditions but also by changing perceptions, communication campaign and mass media plays an important part in raising awareness of the society. These activities require substantial cooperation between relevant parties and agencies as well as substantial funding.

MDG4: Reduce Child Mortality

4.1 Progress

Rapid progress in reducing mortality rates among children under five years old during the past 20 years is obtained. In 1990, under-five mortality rate stood at 58 per 1,000 births. This rate decreased considerably to 23 per 1,000 births[18] by 2012. Remarkable achievements are recorded for underweight children below 5, with significant reductions from 45 percent in 1990 to 16.8 percent by 2011. The stunting rate for under-five children has consistently declined from 63 percent in the period 1992-1993 to 27.5 percent in 2011. The figure for immunization coverage for 7 types of vaccines is reportedly more than 95 percent in 2010[19].

4.2 National policies

A child's right to life, survival and development has been widely acknowledged as a universal right in all international human rights documents including the Convention on the Rights of the Child (CRC) which was ratified by the Vietnamese government in the early 1990s. Vietnam government has expressed its strong commitment on ensuring children's rights to health and survival through the introduction of diverse policies and programs. The *Law on the Protection, Care and Education for Children*, the *Health Insurance Law* has been amended. Multiple national programs on protecting children and promoting every child's nutrition condition and immunization have been implemented for the period 2010-2015. Notably, placing nutrition and immunization for children as top priority since the 1980s has yielded direct impacts on reducing child mortality and malnutrition. The child nutrition program mainly targets child malnutrition, underweight births, and micronutrient deficiencies among women of reproductive ages. These programs have obtained remarkable success in promoting public health through eliminating polio, reducing maternal and neonatal tetanus and controlling measles by home-based immunization program[20]. Not only funding is allocated for vaccine equipments purchase but also incentives have been created for health workers to ensure full immunization for children[21].

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[18] GSO, 2012

[19] Vietnam Ministry of Health (2012). Joint Annual Health Review 2012: Improving quality of medical services. JAHR N. T. K. Tien. 06.
Vietnam Ministry of Health (2011). Joint Annual Health Review (JAHR) 2011: Strengthening management capacity and reforming health financing to implement the five-year health sector plan 2011-2015 N. T. K. Tien. Hanoi. 05.

[20] UNICEF Vietnam (20[illegible] "The children in Viet Nam." Retrieved 01/03, 2012, from http://www.unicef.or[illegible]ietnam/children.html.

[21] Knowles, J. C., S. Bales, et al. (2008). Health equity in Viet Nam: A situational analysis focused on maternal and child mortality "Equity in Access to Quality Healthcare for Women and Children" Halong, Vietnam, UNICEF Vietnam.

4.3 Challenges and recommendations

Substantial decreases in child mortality and enhancement in child nutrition demonstrate remarkable health quality improvements, yet, disparities still exist among ethnicities, regions, income groups and this gap tends to widen over time. The rate of neonatal mortality has declined but still accounts for approximately 70 percent of infant deaths. While the reduction in the rate of underweight children is impressive, the prevalence of stunting remains high at nearly 30 percent for general stunting and 10.5 percent for severe stunting[22]. Increasing gender differences is noticeable as all malnutrition indicators suggest a more disadvantaged situation for girls.

National policies have achieved significant progress in raising immunization rates and controlling serious diseases, but the goal of expanding the immunization program during the period 2011-2020 requires immense effort from the government and agencies in introducing new vaccines, and managing the rising program expenditures. Recent rising public concerns about the negative side effects of immunization questions the safety standards of immunization activities and demands that more attention is paid to R&D and communication channels. The possibility of incorporating immunization with other health system interventions as those applied in many other health systems around the world[23] should be considered.

Nutritional programs should closely address micronutrient deficiency among young children through different approaches such as awareness-raising campaigns for mother and caregivers. Nutritional programs dealing with child stunting should target mothers from disadvantaged background and poor education as well as pay adequate attention to dealing with the shortage of well-trained nutritionists in disadvantaged areas, which has created growing inequality in child malnutrition among regions.

MDG5: Improve Maternal Health

5.1 Progress

Significant achievements have been recorded through notable reduction in maternal mortality rate and improvement in expanding access to high-quality reproductive health care services. While in 1990 there were 233 maternal deaths for every 100,000 live births, this rate declined to 64 per 100,000 live births in 2012[24]. This impressive progress is attributed to comprehensive national policies and programs which have helped increase access to maternal health care and improve the health care services.

5.2 National policies

Acknowledging the importance of reproductive health and population planning, the Vietnamese government has enacted wide-ranging policies, strategies and programs aimed at sustaining replacement-level fertility, ensuring women's rights to maternal health care, promoting availability and quality of reproductive health services, as well as strengthening human resources and management in reproductive health area. While national policies in 1990s and early 2000s laid the focus on family planning, the attention has been shifted to reproductive health care since mid-2000s. *Vietnam Population Strategy 2001-2010* and *2011-2020* gives priority to improving physical,

[22] National Institute of Nutrition (2010). Summary Report: General Nutrition Survey 2009-2010.
[23] United Nations Vietnam (2009). Review of Expanded Program of Immunization Vietnam 2009: National EPI Review Report Hanoi.
[24] GSO, 2012

intellectual and spiritual well-being of the population in addition to maintaining the constant trend of reducing fertility rate. Further accentuation on universal access to reproductive health care is included in the *Population and Family Planning Programme* whereby the targeted beneficiaries entail not only couples of productive ages but also unmarried youths and those of vulnerable communities[25].

Numerous national programs and strategies on reproductive health have been implemented. These programs provide different approaches such as raising awareness on reproductive health for adolescent, mother as well as providing health care services for children. Specifically, the *Master Plan on Safe Motherhood* implemented since 2003 has created the most resounding impacts on addressing the consistently high rates of maternal and neonatal mortality. The Master Plan sets priorities on promoting accessibility to essential obstetric and neonatal care and on strengthening the quality of these services and concentrates on issues in mountainous and remote areas.

National interventions on reducing maternal mortality and promoting reproductive health care have been undertaken by the government and agencies in close collaboration with international institutions. Notably, UNFPA has supported the Vietnamese government in the formulation of key national policies and strategies as well as in collecting and analyzing population data to identify emerging demographic trends in the country's context. This strong partnership has contributed to increased effectiveness of nation-scaled interventions, bringing about a rapid increase in contraceptive prevalence rate and significant decline in total fertility rate.

5.3 Challenges and recommendations

One of the foremost problems facing most aspects of the health sector is the regional disparities in health status of women. Every maternal health indicator reflects a far more disadvantaged situation for women residing in rural, remote and mountainous areas compared to their counterparts in urban and delta areas. The availability of maternal health care infrastructure, competent medical staff and reproductive health care services are generally limited in those areas.

Three-quarters of maternal deaths occur during delivery or immediately afterwards[26]. To sustain low maternal mortality rate and to improve maternal health in disadvantage regions, both central and local authorities should strengthen the skills of care providers for maternal health and newborn care including community-based birth attendants, midwives, and medical staffs in both public and private health care units. Health care promotion activities should be developed in close collaboration with mass organizations. More attention should be paid to enhancing community-based referral systems for complicate case[27] treatments.

Limited knowledge about reproductive and sexual health among youths and older people causes critical problems in maternal health. Despite increasing adoption of contraceptive methods during recent decades, a large section of the population does not have access to contraception[28]. Cultural attitudes towards sexuality limit women's access to modern contraceptive methods and other medical services. Awareness-raising & communication campaigns and medical counseling are necessary to changing attitudes towards reproductive health care. More reproductive health care promotion programs should be made available to adolescents so that these target groups can openly

[25] Vietnam Ministry of Health (2010). Joint Annual Health Review 2010: Vietnam's Health System on the Threshold of the Five-year Plan 2011-2015. JAHR Nguyen Quoc Trieu. Hanoi. 04.
[26] UNICEF Vietnam (2010). An analysis of the situation of children in Vietnam 2010.
[27] UNFPA Vietnam (2007). Achieving the Millennium Development Goals: UNFPA's responses to the needs of Safe Motherhood and Newborn Care in Viet Nam. Hanoi, Vietnam
[28] United Nations Vietnam (2012). MDG 5 factsheet for Vietnam. Hanoi.

discuss health issues with their partners and professional health staffs and adopt modern contraceptives to avoid sexually transmitted diseases and unwanted pregnancy.

MDG 6: Combat HIV/AIDS, Malaria and Other Diseases

6.1 Progress

HIV prevalence rate has increased from 187 per 100,000 people in 2009 to 220 per 100,000 people in 2012[29]. Among men who have sex with men and men who inject drugs, HIV prevalence rates are 16.7 percent and 14.5 percent respectively. Antiretroviral treatment (ART) coverage increased by around 1.5 times at the end of 2011 compared to that in 2009. According to 2011 statistics, around 53 percent HIV-affected adults and 83 percent HIV-affected children receive ART[30]. The rate of tuberculosis has decreased but the rate of contracting tuberculosis remains high. Tuberculosis rate decreases from 374 cases per 100.000 people in 2000 to 225 cases per 100.000 in 2011.

6.2 National policies

Malaria. The Government has set the goal for the period 2011-2020 is to eliminate malaria in 40 provinces and cities by 2020 and to fully eradicate malaria in the whole country by 2030. Ministry of Health has introduced 2011-2020 Agenda for controlling tuberculosis by mapping out tuberculosis prevention network reform to align with the national socio-economic development goals and rising demands for health care services.

HIV. Intensive effort in response to the spread of HIV is reflected through the state's acknowledgement of HIV as an important and multi-sectoral issue that requires collaboration among various ministries and agencies. HIV policy is mainstreamed into key national development policies, strategies and decisions. Multiple policies and legal documents have been formulated and promulgated to strengthen the legal framework for HIV/AIDS interventions for the period 2011-2015.

The national policies have provided a comprehensive plan to deal with the epidemic and set out two major goals of reducing HIV prevalence rate and minimizing the epidemic's impacts on socio-economic growth. National policies also target female sex workers, the most vulnerable groups with high risk of contracting the diseases, and provide prevention methods for this group. With regard to legislative framework on treatment and care for people living with HIV, Vietnam has adopted WHO Guidelines 2010 on the initiation of ART along with various decisions and strategic plans to improve the treatment and care for vulnerable people. Protecting HIV-affected children through introducing social protection program and eliminating mother-to-child transmission has become a key focus of national policies and strategies[31] for the most vulnerable groups.

6.3 Challenges and recommendations

While MDG target on malaria control has been achieved and impressive progress has recorded on controlling other epidemics in Vietnam, the target on HIV/AIDS[32] is a highly challenging task. One of the key obstacles to implementation of HIV/AIDS prevention and control is the low community's

[29] GSO, 2012
[30] United Nations Vietnam (2012). MDG 6 factsheet for Vietnam. Hanoi.
[31] National Committee for AIDS, Drugs and Prostitution Prevention and Control (2012). "Vietnam AIDS response: Progress report 2012. Following up the 2011 Political Declaration on HIV/AIDS."
[32] United Nations Vietnam (2012). MDG 6 factsheet for Vietnam. Hanoi.

awareness and knowledge related to drug injections and safe sexual behaviors. Evidence suggests limited knowledge about preventing HIV/AIDS transmission and treatment of rural residents, ethnic minority groups, adolescent, poor households and people of low education background, making these groups more vulnerable and allowing for rapid transmission of the virus among communities.
A significant challenge facing national efforts on controlling HIV/AIDS epidemic is heavy reliance on international funding. Majority of funding for government programs and strategies on HIV/AIDS comes from international donors. It is important to mobilize and allocate more internal resources to sustain its progress in the long-term. Building up and strengthening local partnerships to create stronger engagement of different sectors are crucial to ensure the effectiveness and efficiency of implementing HIV/AIDS prevention programs.

MDG 7. Ensure environmental sustainability

7.1 Progress

Environment. Vietnam has actively integrated sustainable development into national policies and development plans from central to local levels. The Socio-Economic Development Strategy 2011-2020 has set out sustainable development principles with strong emphasis on the tight connection between socio-economic development and environmental protection. With regard to environmental sustainability, forest coverage increased slightly from 39.1 percent in 2009 to 39.7 percent in 2011 but biodiversity faces loss and degradation threat.

Living condition. Housing and living condition of households have improved significantly, especially in access to water and sanitation of rural households. By 2010, 87.4 percent of rural households use safe drinking water, an increase of 8.4 percent from 2009. 67.1 percent of rural households have access to sanitary latrines, a substantial increase from 43 percent in 2009[33]. The percent of households living in temporary dwellings decreases from 7.8 percent in 2009 to 5.6 percent in 2010.

7.2 National policies

Climate change. Vietnam has been actively addressing climate change issues through its integration of environment sustainability into development plans from central to local levels. The government has been persistent in building a comprehensive framework on climate change and setting out the national target of increasing adaptive ability to climate change and reducing carbon emission. Programs in responding to Climate Change for the period 2012-2015 have been established, covering both mitigation and adaptation plans. The programs primarily helps updating climate change scenarios, building appropriate plans and measures to monitor and respond to climate change situation and to implement demonstration mitigation and adaptation models.

The government has reinforced its strong commitment on environmental sustainability through introducing National Target Program on Green Growth towards 2050. This program aims to facilitate the reduction of greenhouse gas emission and encourage the usage of clean and renewable energy. Vietnam has received financial support from international organizations and agencies such as Korean, Denmark, European Investment and Development Bank (EIB) in adoption of renewable energy.

Water and sanitation. Policies in water and sanitation have been constructed separately for rural and urban areas. *For urban areas,* the policy on provision of water for the urban areas and industrial parks was introduced. By 2020, urban water supply development was targeted towards meeting 100

[33] VHLSS 2010, GSO

percent of the demand for clean water, reduction of non-revenue water down to 15 percent and 24 hours/day water supply service in all urban areas in Vietnam up to 2025. *For rural areas*, water and sanitation have been receiving adequate attention. The Government introduces National Target Program for Rural Water Supply and Sanitation 2011-2015 with primary objectives of building sanitary water supply system and latrines for rural residential areas and rural school compounds.

Vietnam has received both financial and technical support from international organizations and agencies in improving water and sanitation. The World Bank and the Australian Agency for International Development have lent 200 million USD for Vietnam to improve water and sanitation in eight provinces of the Mekong delta. The program is expected to provide 1.7 million people with clean water and to improve sanitation for 650.000 people. WHO, USAID and UNICEF have assisted the government in developing a comprehensive framework for water supply and sanitation plans.

7.3 Challenges

Climate change. Vietnam has become increasingly exposed to climate-related disasters. In 2009, the country experienced 113 extreme weather events, resulting in 334 death toll and loss of 1.15 percent of GDP[34]. Natural disasters resulted from climate change are more likely to affect poorer, rural households, who are highly reliant on natural resources and climate-sensitive livelihood activities. The Central part suffers from frequent typhoons, which accounts for 80 percent of disasters affecting Vietnam. The Mekong River Delta is subject to river floods. With regard to greenhouse gas, annual emission per person has been increasing albeit at a slow rate. Climate change poses huge challenge for the country in its journey towards MDG 2015.

Water and sanitation. Despite an increased access to water and sanitation throughout the country, level of access in remote and mountainous areas is still highly limited. In 2010, the Northern midland and mountainous areas, the Mekong River Delta and the Central Highlands experience the lowest level of access to clean water (80.3 percent, 81.5 percent, and 82.8 percent respectively). The highest level of access belongs to the Red River Delta (98.6 percent) and the South East (98.1 percent). The huge disparity in terms of access to safe water reinforces the importance of support policy in disadvantaged areas. Similar pattern in regional disparity is reflected in access to sanitary latrines. Access to sanitary latrine for the most disadvantaged group is below 50 percent while that of better-off region is above 90 percent[35].

MDG 8. Global Partnership for Development

8.1 Progress

The foreign policy of "*independence, sovereignty, multilateralism and diversification*" in regional and international relations has pushed Vietnam towards a more active role in international integration process. The country has obtained a number of achievements in international cooperation. Regarding multilateral relations, Vietnam became an official member of WTO in 2007, a non-permanent member of U.N Security Council for the 2008-2009 term, hold ASEAN chair in 2010 and joined ASEAN – China free trade area (ACFTA) in the same year. Vietnam has successfully hosted numerous international as well as regional summits like APEC 14th in 2006, ASEM in 2009, 19th World Economic Forum (WEF) on East Asia in 2010, 44th ADB annual meeting and 3rd ASEAN-EU Business Summit in 2013. Regarding bilateral relations, Vietnam has developed diplomatic relations with over 170 nations, expanded trade relations with over 230 countries and territories, signed over 90

[34] VHLSS 2010, GSO
[35] VHLSS 2010, GSO

bilateral trade agreements, approximately 60 investment promotion and protection agreements and 54 double or multiple tax avoidance agreements and plenty of bilateral cultural cooperation agreements with other countries and international organizations[36].

With regards to international trade, high level of trade openness has promoted economic growth. Since 2006, Vietnam has experienced an impressive export growth. The average annual export growth rate during 2006-2010 was 17.2 percent annual. By 2011, export value increased by 33.3 percent, reaching USD 96.26 billion. Trade openness has risen from 155.4 percent in 2010 to 169.8 percent in 2011[37]. Together with strong export growth, Vietnam is also one of the world's leading exporters of rice, coffee, pepper and cashew.

8.2 National policies

Acknowledging the vital link between trade, debt relief, aid and sustainable development which is reinforced by effective global partnership, the Vietnamese government has made an impressive progress in strengthening global partnership for development. National partnership strategies, in alignment with the country Socio-Economic Development Strategy (SEDS) 2011-2020, emphasize competitiveness, self-reliance, promotion of advanced technology and skillful labor as well as efficiency in utilization and attraction of foreign aid.

To address an anticipated sharp decline in foreign aid when the country reaches the middle-income country status, Orientations for Attraction, Management and Use of Official Development Assistance and Other Preferential Loans of Donors during 2011-2015 were established. The Orientations not only generates comprehensive improvements in the institutional framework on ODA management and utilization but also provides in-charge state agencies with thorough guidelines on promoting the effectiveness of ODA-funded activities.

With regard to trading policies, the Government has designed strategy to promote goods import and export for the period 2011-2020. The Strategy sets out the objectives of sustaining goods export growth rate, simultaneously reducing trade deficit to achieve trade balance by 2020, and achieving trade balance surplus by 2030. The Strategy has laid a strong focus on promoting production especially high value-added products in order to enhance the national competitiveness on the global markets. Deeper and more proactive economic integration is also strongly emphasized. *With regard to national debt*, the strategy on public and foreign debt by 2020 aims to guarantee a balanced state budget to ensure national financial security while meeting the debt repayment obligations in a manner that does not affect the government's international commitments.

8.3 Challenges

Although Vietnam is on the way to removing trade restrictions as part of the agreement when joining WTO, the country has been faced with multiple difficulties. In export market, trade protection and barriers become more complicated; certain goods faces dumping. Globalization has made Vietnamese economy more vulnerable to economic crisis. The country still faces the problems such as exported goods have low comparative advantage; technology is underdeveloped, there is critical shortage of skilled workers and the economy depends heavily on foreign investment.

[36] Reports of ministries/agencies of the National Committee for International Economic Cooperation
[37] Vietnam economic perspective 2012-2013

Part B. Thematic focus

"Science, technology and innovation, and the potential of culture, for promoting sustainable development and achieving the MDGs"

Background

Science, technology, innovation play an indispensable role in promoting economic growth and social development. In the era of rising globalization and economic integration, science and technology advancements ensure national stature and prosperity in the face of growing competition. Science, technology and innovation contribute to MDGs through fostering knowledge access, promoting productivity, creating decent jobs, expanding access to health care and essential drugs, achieving food security and enhancing renewable energy technologies to reduce energy shortage and mitigate climate change[38].

Vietnam has actively opened its market to international trade and foreign investment. Embracing technological and scientific progress as the key drive for development, the Vietnamese government has highlighted the importance of promoting science, technology and innovation in the transition to industrialized and modernized country. The liberalization of S&T sector had been initiated since economic renovation in the late 1980s. The year 1992 marked a milestone in the development of science and technology management and subsequently brought about radical reforms in the national S&T structure. There have been significant improvements in developing infrastructure for science and technology, stimulating research and development (R&D), expanding higher education system and promoting local research capacities. Some notable progress of the sector is indicated through the rising number of R&D institutions in Vietnam from 519 in 1995 to over 1,000 by 2008 and a substantial increase by more than thirty times to 666 patents granted in 2008. The strength of the sector is found in such areas as immunology and microbiology, agricultural and biological sciences, and mathematics. Since 1995, Vietnam has always been listed among top gainers on Knowledge Assessment Indicator developed by the World Bank for significant improvement in information technology and innovation[39].

National policies and achievements

Economic integration has enabled Vietnam to acquire advanced technological and scientific skills, and benefit from technological transfer from developed countries. Impressive growth rate of more than 5 percent allows increasing capital accumulation, which brings about rising investment in S&T. Since 2000, state budget allocated for science and technology has been at 2 percent. That R&D investment on average accounting for 0.6 percent[40] of national budget represents a comparable or higher level than that of other countries in the regions.

Incorporating science and technology as an impetus for national growth in the Socio-economic development strategies, *Law on Science and Technology* has been enacted since 2000 providing legal framework for organization and operation of scientific and technological activities[41]. Ten-year

[38] Economic and Social Council (ECOSOC). (2012). Science, technology and innovation: Overview. Retrieved on March 12th 2013 http://www.un.org/en/ecosoc/about/science.shtml

[39] Organization for Economic Cooperation and Development (OECD). (2011). *OECD Review of Innovation in Southeast Asia - Country Profile of Innovation: Vietnam*, as part of the series OECD Review of Innovation in Southeast Asia

[40] Organization for Economic Cooperation and Development (OECD). (2011). *OECD Review of Innovation in Southeast Asia - Country Profile of Innovation: Vietnam*, as part of the series OECD Review of Innovation in Southeast Asia

[41] Law on Science and Technology

strategy for 2011-2020 for science and technology development is to turn S&T into a driving force for socio-economic development, and with the target to increase the value of high-tech and applied science products to 45 percent GDP, S&T growth rate to 20 percent and investment on S&T to more than 2 percent GDP by 2020.

A wide range of national targeted programs have been launched towards national goals for S&T. These programs encourage the application of advanced technology, establish enterprises in S&T area, improve S&T infrastructure and promote S&T human resources. Encouraging the application of latest technological and scientific achievements, in terms of energy efficiency and conservation is strongly upheld for 2011-2015.

Political commitment and rising state attention to building up a ground-breaking S&T system contribute to remarkably improved efficiency in almost every socio-economic aspect, especially in agricultural sector. The introduction of advanced technology and innovations are conducive to increasing overall productivity, and generating high-quality breeds and seeds, which ensures food security and accelerates agricultural restructuring process. From a net food importer, Vietnam has become the world's leading exporters in rice, coffee and other key staples.

Significant reforms also take place in S&T management mechanism. The role and responsibilities of in-charge state agencies are clearly defined and restructured. More attention has been paid to S&T staff recruitment through a transparent and equal procedure. S&T agencies receive higher level of autonomy in conducting S&T activities, which create a more favorable environment for enhancing public knowledge on the importance of S&T application and growing S&T advancements.

The country's local capacity has been continuously improved. By 2012, Vietnam has around 2,478,000 college undergraduates, reaching a ratio of 280 undergraduates over 10,000 people[42]. The number of higher education institutes is estimated at 380 in 2010. The government aims to increase the ratio of scientific researchers and professional staff in information and communication technologies to nine or ten people per 10,000 and at least 5000 highly skilled engineers capable of undertaking production lines in spear-headed fields by 2015.

Limitations

Vietnam still lags behind international nations. The level of S&T development has not met the requirements of economic growth. Total factor productivity (TFP) in Vietnam only accounts for 6 percent of changes in national productivity levels, suggesting that growth mostly results from increases in human and financial capital. According to a system ranking national economic competitiveness based on technology, Vietnam has obtains the lowest score relative to the countries' with comparable development in the region[43].

Low investment and funding. The ratio of investment for S&T per capita and ratio of researchers over Vietnam population are relatively low. Low funding leads to poor and outdated infrastructure and inadequate facilities in institutes and higher-education institutions; this hinders their innovation and their effort in developing world-class research works. Most of local private SMEs experience the lack of information and limited access to latest technologies. Leading firms with high-tech application are primarily multinational or foreign invested.

Human resource shortage. Vietnam still encounters a shortage of S&T high-skilled workers, particularly pioneer engineers and young researchers who are capable of leading large-scale

[42] GSO, 2012
[43] OECD, 2011

research projects. The situation results from poor research infrastructure and facilities along with unattractive compensation in most public research institutions. Inflexible and unfavorable research environment create substantial barriers for people to enter the field. Unfavorable working conditions at local S&T institutions results in severe brain drain. A growing number of highly-qualified Vietnamese students remain abroad upon completing their education abroad, which results in an enormous manpower loss.

Ineffective management mechanism. The existing central mechanism of managing S&T field remains relatively rigid and ineffective. Most administrative activities pay attention to managing inputs while the quality and efficiency of S&T activities in designated institutions remain unattended. The Ministry of Science and Technology plays a limited role in coordinating innovation-related public policies. S&T institutions have not yet obtained full autonomy in developing their own development strategies and financial plans as well as directing international collaboration.

Recommendations

To promote S&T as the driving force for the socio-economic growth, the role of the public sector in the continual economic reforms needs to be reviewed. Their current role as a dominant actor should be shifted to a catalyst role to encourage the connection between innovation producers and end-consumers. Redefining the role of the state sector in legal documents and national policies is necessary for the revision of government's priorities on mobilizing resources for non-state sector.

Supporting mechanism for S&T enterprises is also crucial. Greater autonomy should be granted to institutions to maximize human resource capacity and promote its operative efficiency. Local firms need more incentive to increase their investment in S&T and innovation such as tax exemption and substantial funding for S&T-related activities.

Reforms of the financial management mechanism are also brought forward as a vital requirement. Reforms should not be limited to providing incentive mechanism to address the 'brain drain phenomenon' but also need to cover the mechanism of assigning government funded projects to organizations and individuals. The fact that current investment on S&T is mobilized from the state budget and still subject to provisions in the State Budget Law creates huge hindrance for recipients' in conducting independent research activities.

STATISTICAL ANNEX

	Indicators	1990	2005	2008- 2009	2010- 2012
	MDG1: Eradicate Extreme Poverty and Hunger				
1	Poverty rate	58% *(1992)*	19,5% *(2004)*	14,5% *(2008)*	14,2% *(2010*)* *10.7% (2010)*
2	Poverty gap	18,4% *(1993)*	4,7% *(2004)*	3,5% *(2008)*	5,9% *(2010)*
3	Under-five malnutrition	41%	25,3%	18,9 *(2009)*	16,8% *(2011)*
	MDG2: Achieve Universal Primary Education				**Achieved**
1	Net primary enrolment rate	87%	95%	97% *(2009)*	97,67% *(2012)*
2	Primary completion rate		85,6%	88,5% *(2009)*	92,08% *(2012)*
3	Net secondary enrolment rate		81%	83,1% *(2009)*	87,24% *(2012)*
	MDG3: Promote Gender Equality and Empower Women				
1	Ratio of Female to Male primary enrolment	47,7% *(1998)*	47,7%	47,9% *(2009)*	---
2	Ratio of Female to Male secondary enrolment	47% *(1998)*	47,9%	48,5% *(2009)*	---
3	Ratio of Female to Male upper-secondary enrolment	46,4% *(1998)*	48,9%	52,6% *(2009)*	---
4	Ratio of Women's representatives in National Assembly (NA) of Vietnam	18,48% *(9th NA, term 1992-1997)*		25,76% *(12th NA, term 2007-2011)*	24,40% *13th NA, term 2011-2016)*
5	Ratio of Women's representatives at Provincial People's Councils	21,1% *(term 1999-2004)*		23,9% *(term 2004-2009)*	---
6	Ratio of Women's representatives at District People's Councils	21 % *(term 1999-2004)*		23% *(term 2004-2009)*	---
7	Ratio of Women's representatives at Commune People's Councils	16,1% *(term 1999-2004)*		19,5% *(term 2004-2009)*	---
	MDG4: Reduce Child Mortality				**Attainable**
1	Under-five mortality rate	58‰	27,3‰	25‰ *(2009)*	23,3‰ *(2011)*
2	Under-one mortality rate	44,4‰	26,0‰	16‰ *(2009)*	15,5‰ *(2011)*
	MDG5: Improve Maternal Health				

	Indicators	1990	2005	2008- 2009	2010- 2012
1	Maternal mortality ratio per 100,000 live births	233	80	69 *(2009)*	67 (2011)[44]
2	Ratio of births attended by skilled medical staff		92,71% *(2006)*	94,8% *(2009)*	96,7% *(2011)*
3	Ratio of women aged 15-49 using contraception	73,9% *(2001)*		80% *(2008)*	78,2% *(2011)*
4	Ratio of pregnant women having at least 3 check-ups during their pregnancy		84,3%	86,4% *(2008)*	86,7% *(2011)*
	MDG6: Combat HIV/AIDS, Malaria and Other Diseases				
1	HIV prevalence rate			0,28% *(estimated)*	0,28% *(estimated 2011)*
2	HIV prevalence rate per 100,000 people			187 *(2009)*	—
3	Number of HIV-infected adults having ARV		7.812 *(2006)*	36.008 *(2009)*	—
4	Number of HIV-infected children having ARV		428 *(2006)*	1.987 *(2009)*	—
5	Number of malaria-infected cases	293.000 *(2000)*		60.867 *(2009)*	—
6	Number of malaria-infected deaths	71 *(2000)*		27 *(2009)*	—
7	Ratio of acid-fast bacilli (AFB) infected cases per 100,000 people		65 *(2007)*	46 *(2009)*	—
8	Ratio of newly recovered tuberculosis-infected patients		89,9% *(2007)*	89,8% *(2009)*	—
	MDG7: Ensure environmental sustainability				
1	Forest coverage prevalence	27,8%	37%	40% *(estimated 2010)*	39,7% *(2011)*
2	Share of rural population having access to clean water	30%		79% *(2009)*	87,4% *(2010)*
3	Share of rural households having sanitary toilets	20%		43% *(2009)*	67,1% *(2010)*
4	Share of households living in temporary housing	22,7% *(1999)*		7,8% *(2009)*	5,6% *(2010)*
	MDG8: Global Partnership for Development				
1	Total imports and exports (million USDs)		69.206	127.045	228.364 *(2012)*
2	ODA commitment (million USDs)	2.400 *(2000)*	3.748	8.064 *(2009)*	6.486 *(2012)*

Note. — data non-available

2010 according to the Government poverty line 2011-2015*

[44] Joint Annual Health Review 2012

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